

OEB approves Enbridge's request for approval of its natural gas demand side management plan for 2026

On November 6, 2025, the Ontario Energy Board (OEB) issued its [Decision and Order](#) on Enbridge Gas Inc.'s (Enbridge) request to extend its currently approved natural gas demand side management (DSM) Plan for one year, until December 31, 2026. The OEB anticipates that Enbridge will soon file an application for a multi-year DSM plan for all customer segments through rates beginning January 1, 2027.

The OEB approved Enbridge's request and made the following key determinations:

1. All DSM programs will continue through 2026, including the Residential Program which supports important home energy efficiency improvements. The overall DSM portfolio remains cost-effective, consistent with the OEB's DSM Framework. While there are concerns regarding the cost-effectiveness of the Residential Program, continuation of that program avoids disruption in advance of the review of Enbridge's upcoming 2027+ multi-year DSM plan application. The other programs within the DSM portfolio were found to be consistent with the OEB's cost-effectiveness thresholds, reinforcing the strength and value of the portfolio as a whole.
2. Enbridge's proposed 2026 DSM budget of \$199.8 million is approved, which represents an inflation-adjusted continuation of the 2025 DSM budget. In keeping with the DSM Framework, incremental spending must only be used for customer incentives. The OEB will review the cost-effectiveness and prudence of any amounts spent in excess of the approved annual budget during a future rate application.
3. Enbridge's proposed 2026 shareholder incentive of up to \$23.7 million and its 2026 performance scorecards are approved. Enbridge's shareholder incentive is contingent on meeting scorecard targets, which are primarily based on natural gas savings.
4. The OEB has directed Enbridge to consider how the full economic impacts of DSM programs, including the treatment of carbon costs, should be reflected in cost-effectiveness analyses as part of its 2027+ multi-year DSM plan application.
5. The OEB has directed Enbridge to provide detailed, evidence-based comparisons of cold climate air source heat pumps and gas-fired measures in its 2027+ multi-year DSM plan application, ensuring accuracy in performance and cost assumptions.

BACKGROUND

On November 22, 2022, the OEB [approved](#) Enbridge's new three-year DSM plan, effective January 1, 2023, along with the DSM Framework, a policy framework to guide the development of future DSM activities.

DSM programming includes a suite of energy efficiency initiatives aimed at reducing natural gas consumption across various customer segments. Enbridge's 2026 plan proposed to continue existing programs without major changes:

- Residential Program
- Low-Income Program
- Commercial Program
- Industrial Program
- Large Volume Program
- Energy Performance Program
- Building Beyond Code Program

INTERVENORS

Intervenors are individuals or groups who have permission to participate in a hearing before the OEB because they have a substantial interest in the proceeding. A list of the 19 parties that were approved as intervenors in this proceeding is available on page three of this Decision.

ABOUT THE OEB

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. It protects the interests of consumers and supports the delivery of clean, reliable and affordable energy for the people, farms and businesses of Ontario. Its goal is to deliver public value through prudent regulation and independent adjudicative decision-making which contributes to Ontario's economic, social and environmental development. You can learn more about the OEB at oeb.ca.

Independence in the hearing and determination of matters is a key element of the OEB's mandate, established through legislative structures, the [Memorandum of Understanding](#) between the Minister of Energy and Mines and the Chair of the OEB, and by-laws that set out clear lines of communication between government and the OEB. Commissioner panels hear and determine matters independently, with legislative protections and other instruments to ensure decisions are free from interference by the CEO, the Board of Directors and government. This also includes the Chief Commissioner when not assigned to the specific case.

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Ce document est aussi disponible en français.

This Backgrounder was prepared by OEB staff to inform Ontario's energy consumers about the OEB's decision and is not for use in legal or regulatory proceedings. It is not part of the OEB's reasons for decision; those may be found in the Decision and Order issued November 6, 2025, which is the official OEB document.