

**Ontario Energy
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**Commission de l'énergie
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BY EMAIL AND WEB POSTING

October 30, 2018

**To: Enbridge Gas Distribution Inc.
Union Gas Limited
Evaluation Advisory Committee (EAC)
Other Stakeholders**

Re: 2016 DSM Results Report (EB-2015-0245)

The Ontario Energy Board (OEB) is issuing the final 2016 Natural Gas Demand Side Management (DSM) Annual Verification Report. The report was developed by the OEB's Evaluation Contractor (EC), DNV GL. The report includes the evaluation, measurement and verification (EM&V) results of Enbridge Gas Distribution Inc.'s and Union Gas Limited's 2016 DSM programs.

As was the case with the [2015 DSM program results](#), the finalization of the 2016 DSM program results were the culmination of months of analysis and review by the EC, with input from a variety of experts and stakeholders that form the OEB's Evaluation Advisory Committee (EAC), as well as OEB staff.

The final 2016 OEB DSM results are posted on the OEB's website. The gas utilities are expected to file their respective applications to clear their 2016 DSM deferral and variance account balances based on the results contained in the 2016 DSM Annual Verification Report. These applications will be subject to an adjudicative process.

2016 DSM Results Report

The OEB's 2016 Natural Gas DSM Annual Verification Report summarizes the total verified savings achieved by all 2016 DSM programs, including custom and prescriptive programs. The EC reviewed program documentation, utility shareholder incentive calculations, lost revenue calculations and cost-effectiveness results to determine its final opinion on 2016 DSM Results.

As part of the 2016 Annual Verification Report, the 2016 Natural Gas DSM Custom Savings Verification Report is included in the appendices. The 2016 Custom Savings Verification report summarizes the analysis that was undertaken to verify the savings associated with custom projects, which make up the majority of the savings achieved by the gas utilities' DSM programs. The report explains how the gross savings estimates were verified for a sample of 2016 custom projects within the gas utilities' DSM programs. The EC reviewed project-level documentation and conducted interviews and site visits to complete its evaluation of savings for 2016 custom programs.

These reports, including the methodologies upon which they are based, were developed by DNV GL and reviewed by OEB staff and the EAC. The EAC provided input and advice at various milestones including selection of key methodologies, establishment of verification instruments, and development of draft and final results. The EAC also reviewed and provided comments on all the site reports developed as part of this study. The EC led discussions with the EAC to address the issues identified and addressed these issues based on the EC's own independent, expert judgement.

2017 DSM Evaluation

The deadline for the gas utilities to submit their respective 2017 Draft DSM Evaluation Reports is Friday, November 30, 2018 - one month from today's release of the 2016 DSM results report.

Questions about the 2016 DSM results report and 2017 DSM evaluation should be directed to Josh Wasylyk josh.wasylyk@oeb.ca or 416-440-7723.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary