

Decision on Enbridge's Integrated Resource Planning Pilot Project Application

On March 27, 2025, an Ontario Energy Board (OEB) Panel issued a [Decision and Order](#) regarding Enbridge Gas Inc.'s (Enbridge) application related to its Southern Lake Huron Pilot Project (the Project).

The Project was developed further to the OEB's [Integrated Resource Planning \(IRP\) Framework](#) to evaluate how integrated resource planning alternatives (IRPAs), including targeted energy efficiency and demand response programs, can be implemented to avoid, delay, or reduce the need for new gas system infrastructure.

The Decision, made by the adjudicative panel of Commissioners that heard Enbridge's application, approved the Project with specific modifications and determined that, with these changes, the project partially meets the scope and objectives of the IRP Framework. These modifications include a shift in budget from gas-fired technology measures to electric solutions. The panel found that incentives for gas equipment were inconsistent with the purposes of IRP and demand side management.

Costs of the project, estimated to be \$14.2 million, are to be recovered proportionally across all Enbridge rate zones.

The Decision also directed Enbridge to:

- Consult with the [IRP Technical Working Group](#) on a potential second IRP pilot that explores innovative solutions beyond enhanced incentives for traditional demand-side management programs, and
- Report on additional pilot opportunities in its 2025 IRP report (expected in spring 2026).

Review of the OEB's Decision and of the IRP Framework

The OEB has initiated a review of certain elements of the Decision on Enbridge's application for the Project. The Notice of Review identifies questions related to whether all necessary facts were available to support the findings, and whether the decision to exclude funding for gas heat pump technologies changed the IRP Framework without notice to the parties and without providing parties with a full opportunity to address this issue. Reviews of the OEB's own decisions are allowed under the OEB's *Rules of Practice and Procedure*, including on the OEB's own initiative. The review will be decided by the panel of Commissioners that will be assigned to the case.

The OEB has also launched a consultation to support a review and evaluation of the IRP Framework. The consultation will consider, among other issues, challenges and progress under the IRP Framework to date and identify opportunities to improve its effectiveness and efficiency. It will also consider expectations for natural gas distributors regarding electrification as an IRP alternative, including how electricity availability issues should be considered if electrification is being proposed as an IRP alternative. More information on the consultation, including how to participate, can be found [here](#).

Background

In 2021, the OEB established a first-generation IRP Framework¹, which provided direction to Enbridge to consider IRPAs as alternatives to traditional pipeline infrastructure to meet its natural gas system needs. The 2021 framework contemplates the use of gas-fired technology and excludes electrification measures. Under the IRP Framework, Enbridge was directed to develop and implement two IRP pilot projects using supply-side and demand-side IRPAs to avoid, delay, or reduce the need for new gas system infrastructure. The OEB established an IRP Technical Working Group to assist in the implementation of the IRP Framework.

Enbridge originally submitted two IRP pilot projects for OEB approval on July 19, 2023. It later withdrew one of the pilot projects and modified the location and scope of the remaining SLH Pilot Project in its updated application filed June 28, 2024.

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 ten intervenors that participated in this proceeding can be found in:

- [Procedural Order No. 1 issued September 7, 2023](#)
- The [OEB's letter dated August 19, 2024](#), which accepted a late intervention request

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 Electrification 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 March 27, 2025, which is the official OEB document.

¹ [Decision and Order, EB-2020-0091, July 22, 2021](#)