



Information for Large Volume Union South Rate Zone Customers

June 20, 2022

Enbridge Gas Receives Ontario Energy Board Approval for Rate Changes Effective July 1, 2022

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective July 1, 2022 ([EB-2022-0150](#)). These changes were proposed to the OEB earlier this month as part of the Quarterly Rate Adjustment Mechanism (QRAM) and approved as filed.

QRAM is the mechanism Enbridge Gas uses to review and adjust our rates for changes in natural gas prices. This is done every three months to reflect ongoing changes in the market price of natural gas and to adjust for the difference between the forecasted price of natural gas and actual price from prior periods.

The continuing Russian conflict paired with increased global demand for U.S. liquefied natural gas (LNG) exports has resulted in historically high natural gas market prices, which are anticipated to continue for some time.

We understand that energy affordability is a priority for Ontario families and businesses. Since October 2021, Enbridge Gas, working with the Ontario Energy Board and the government of Ontario, has taken steps to reduce the impact of rising market prices on our customers.

In addition to updating rates in the Enbridge Gas Distribution (EGD) and Union rate zones in accordance with Enbridge Gas' Board-approved QRAM methodologies, July 1, 2022 rates will also reflect:

- the OEB's April 12, 2022 decision in [EB-2021-0148](#) on Phase 2 of Enbridge Gas' 2022 annual rate application. Phase 2 of this application addressed matters related to Incremental Capital Module (ICM) funding for certain capital projects. Note: There are no delivery bill impacts for Union contract rate customers resulting from the 2022 Phase 2 rate application, and
- the disposal of the 2020 Demand Side Management (DSM) deferral and variance account balances ([EB-2022-0007](#)). Clearance of these balances will result in a one-time delivery adjustment being applied to bills for all customers who received contract rate delivery services in 2020.

More information about these decisions can be found in our [June 7, 2022 newsletter](#).

July 2022 QRAM Utility Sales

	Current Utility Sales (cents/m ³)	New Approved Utility Sales (cents/m ³)	Change (cents/m ³)
Gas Commodity Rate	20.5311	30.3894	9.8583
Gas - Price Adjustment	(0.3793)	0.9857	1.3650

Delivery Rates

The following changes to delivery rates reflect quarterly updates to gas costs (compressor fuel,

unaccounted for gas, and carrying costs of gas in inventory). This can be found on the “Delivery” line of the invoice.

	Approved Delivery Rate Change*(cents/m ³)
Rate M4	0.1822
Rate M5A	0.1550
Rate M7	0.1663
Rate M9	0.1387
Rate M10	0.1973

Rate M1 and Rate M2 Customers

[Rate M1](#) and [Rate M2](#) will also be changing effective July 1, 2022. Customers can find current information on these rates on our website or in the notice included with their July bill.

Balancing Transaction Fees

Balancing transaction fees will be updated effective July 1, 2022. For current rates, please see the [Balancing Transaction Fee Schedule](#).

For more information, find the full application ([EB-2022-0150](#)) posted on our website.

Enbridge Gas Files an Application for 2021 Deferral and Variance Account Clearing

On May 31, 2022, Enbridge Gas filed its 2021 Utility Earnings and Disposition of Deferral and Variance Account Balances application with the Ontario Energy Board (OEB) for approval to dispose of amounts recorded in certain 2021 deferral and variance accounts and for the amount of its 2021 earnings that it is required to share with customers ([EB-2022-0110](#)). This application excludes the 2021 Federal Carbon Pricing Program (FCPP) related deferral and variance accounts as well as the Demand Side Management (DSM) deferral and variance accounts for which Enbridge Gas has separate applications.

If approved as filed, the account clearing will result in a one-time adjustment being applied to a future bill of all customers. Enbridge Gas has proposed to dispose of the approved 2021 deferral and variance account balances with the first QRAM application following the OEB’s approval.

What are Deferral and Variance Accounts?

Deferral and variance accounts are used to capture certain differences between Enbridge Gas’ forecast amounts approved for collection through rates and actual revenues and costs collected or incurred. The differences are either refunded or collected from customers, upon approval by the OEB, and are specifically allocated to each rate class.

How to Estimate the 2021 Delivery Adjustment

You can estimate your 2021 delivery adjustment by multiplying the proposed rate adjustment that applies to your service (shown below) by the actual volume of natural gas you consumed in 2021.

Rate Class	Proposed Unit Rate for 2021 Delivery Adjustment (cents/m ³)
Rate M4	0.0815
Rate M5A	(0.1108)
Rate M7	0.1186
Rate M9	0.1295
Rate M10	(0.0128)
Rate T1	0.0202
Rate T2	0.0420
Rate T3	0.0958

How to Estimate the 2021 Gas Supply Commodity Adjustment

Customers who purchase their natural gas from Enbridge Gas can estimate their 2021 gas supply commodity adjustment by multiplying the proposed rate adjustment that applies to their service (shown below) by the actual volume of natural gas they consumed in 2021.

Union South Rate Zone Customers

Rate Class	Proposed Unit Rate for 2021 Gas Supply Commodity Adjustment (cents/m ³)
Rate M4	0.3378
Rate M5A	0.3378
Rate M7	0.3378
Rate M9	0.3378
Rate M10	0.3378

Full details of this filing ([EB-2022-0110](#)) can be found on our website.

If you have any questions about any of the material in this newsletter, please contact your account manager.