



## Information for Large Volume Union South Rate Zone Customers

Dec. 23, 2022

# Enbridge Gas Receives Ontario Energy Board Approval for Rate Changes Effective Jan. 1, 2023

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective Jan. 1, 2023 ([EB-2022-0286](#)). 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.

In addition to updating rates in the EGD and Union rate zones in accordance with Enbridge Gas' Board-approved QRAM methodologies, Jan. 1, 2023 rates will also reflect:

- the OEB's Nov. 3, 2022 decision in [EB-2022-0133](#) approving Enbridge Gas' 2023 annual rate application. Our 2023 rate application addresses the incentive rate-setting mechanism (IRM) related elements, which include the annual rate escalation, pass-through costs, capital pass-through adjustments and Parkway delivery obligation rate adjustments. More information on the 2023 annual rate application can be found in our [July 20, 2022 communication](#).
- the disposal of the 2021 deferral and variance account balances ([EB-2022-0110](#)). Clearance of these balances will result in a one-time adjustment being applied to the January 2023 bills of all customers. More information on the 2021 deferral and variance accounts clearing can be found in our [Nov. 29, 2022 communication](#).

## January 2023 QRAM

### Utility Sales

|                        | Current Utility Sales (cents/m <sup>3</sup> ) | Approved Utility Sales* (cents/m <sup>3</sup> ) | Change   |
|------------------------|---|---|----------|
| Gas Commodity Rate     | 32.6422                                       | 25.9526   | (6.6896) |
| Gas - Price Adjustment | 3.4561  | 6.4295  | 2.9734   |

\*Approved utility sales rate effective Jan. 1, 2023.

### 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.

|          | <b>Approved Delivery Rate Change*<br/>(cents/m<sup>3</sup>)</b> |
|----------|---|
| Rate M4  | (0.1309)  |
| Rate M5A | (0.1074)  |
| Rate M7  | (0.1251)  |
| Rate M9  | (0.0950)  |
| Rate M10 | (0.1367)  |

\*QRAM-related rate changes only

### 2023 Distribution Rates

A range of delivery bill impacts for typical contract rate customers in the Union South rate zone are shown below. Individual bill impacts will vary and depend upon a customer's use of natural gas.

#### Delivery Rates

|          | <b>EB-2022-0133 Delivery Bill Impacts for Typical Customers (%)*</b> |
|----------|--|
| Rate M4  | 5.3 to 6.1   |
| Rate M5A | 5.6 to 6.4   |
| Rate M7  | 2.8 to 5.4   |
| Rate M9  | 5.6  |
| Rate M10 | 5.1  |
| Rate T1  | 3.8 to 4.1   |
| Rate T2  | 3.0 to 3.3   |
| Rate T3  | 6.1  |

\* Change due to EB-2022-0133 Rate Order effective Jan. 1, 2023.

#### Rate M1 and Rate M2 Customers

[Rate M1](#) and [Rate M2](#) will also be changing effective Jan. 1, 2023. Customers can find current information on these rates on our website.

#### Balancing Transaction Fees

[Balancing transaction fees](#) will be updated effective Jan. 1, 2023. For current rates, please see the Balancing Transaction Fee Schedule.



Full details of this filing ([EB-2022-0286](#)) can be found on our website.

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