

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2023

The Ontario Energy Board (OEB) has approved changes to the rates Enbridge Gas Inc. charges customers effective Jan. 1, 2023. Your new rates are shown on the accompanying **Rate M7** schedule. Changes in the rates are detailed in the attached appendix.

Delivery

Approved 2023 delivery rate increases are reflected in the new rates for Rate M7 customers. Individual customer impacts will vary.

Approved delivery commodity rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved Jan. 1, 2023 delivery commodity rates include a decrease of 0.1251 cents/m³. Individual customer impacts will vary based on usage.

Federal Carbon Charge

The federal carbon charge is 9.79 ¢/m³. This charge increases annually each April. All of the money collected for this charge goes to the government. Some businesses may be eligible for full or partial exemption from this charge under the federal carbon pricing program. Visit enbridgegas.com/federalcarbonprogram for more information.

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by 6.6823 cents/m³ to 25.9526 cents/m³. This change reflects the increase in Enbridge Gas' forecast cost to purchase natural gas for the next 12 months. This charge includes transportation costs to Ontario.

In addition, there is an increase of 2.9734 cents/m³ related to the difference between the projected cost of natural gas that Enbridge Gas expects to pay and the amounts that Enbridge Gas expects to recover through its current gas commodity rate. You will see the new rate on the "**Gas Price Adjustment**" line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments. Enbridge Gas does not earn income on the sale of the natural gas commodity. The price we pay for the gas commodity is passed on directly to customers with no profit included.

We understand that energy affordability is a priority for Ontario families and businesses. With the OEB's approval, from October 2021 to September 2022, we took steps to smooth out the actual increase in the natural gas prices charged by Enbridge Gas and help moderate the total bill increase. We continue to gradually recover the smoothed out costs over the coming months.

Rate Adjustment

The OEB has approved a rate adjustment to reflect the clearance of 2021 deferral and variance account balances. This will appear as a one-time adjustment on customers' January bills. Individual customer impacts will vary based on usage.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.