

Information for Energy Marketers

Enbridge Gas Receives Ontario Energy Board Approval for 2019 Distribution Rates

Enbridge Gas Inc. recently received approval from the Ontario Energy Board (OEB) for a change in its distribution rates (also known as delivery rates) effective Apr. 1, 2019, to be implemented Nov. 1, 2019 ([EB-2018-0305](#)). These rates have been set using the OEB-approved, five-year rate-setting framework for the period of 2019 to 2023.

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

Customers will also see a bill adjustment on their November and December bills to capture the difference between the interim and final rates for the period between Apr. 1, 2019 and Oct. 31, 2019.

Delivery Bill Impact Range for Typical EGD Rate Zone Customers

Rate class	Delivery Bill Impact Range (%)
Rate 100	1.0 to 1.1 ^{1,2}
Rate 110	0.8 to 0.9 ^{1,2}
Rate 115	3.6 ^{1,2}
Rate 135	0.1 ^{1,2}

Rate class	Delivery Bill Impact Range (%)
Rate 145	3.5 to 4.2 ^{1,2}
Rate 170	-14.4 to -21.9 ^{1,2}
Rate 125	2.7 ³
Rate 300	4.0 ³

¹ EB-2018-0305, Exhibit F1, Tab 1, Rate Order, Appendix A.3.

² Bill impact calculated prior to federal carbon charges.

³ Bill impact calculated based on contract demand charge unit rates only.

Delivery Bill Impact Range for Typical Union North Rate Zone Customers

Rate class	Delivery Bill Impact Range (%) ^{1,2}
Rate 20	5.4 to 5.6
Rate 25	16.4
Rate 100	21.4 to 22.2

¹ EB-2018-0305, Exhibit F1, Tab 2, Rate Order, Working Papers, Schedule 4.

² Bill impact calculated prior to federal carbon charges.

Delivery Bill Impact Range for Typical Union South Rate Zone Customers

Rate class	Delivery Bill Impact Range (%) ^{1,2}
Rate M4	-2.0 to -1.3
Rate M5A	-4.9 to -2.4
Rate M7	-0.9 to 0.8
Rate M9	6.3 to 6.4
Rate M10	5.4
Rate T1	1.8 to 2.5
Rate T2	0.9 to 1.6
Rate T3	-0.3

¹ EB-2018-0305, Exhibit F1, Tab 2, Rate Order, Working Papers, Schedule 4.

² Bill impact calculated prior to federal carbon charges.

Full details of this filing (EB-2018-0305) can be found on the [Enbridge Gas](#) or [Union Gas](#) websites.

Enbridge Gas Inc. Files an Application for 2018 Deferral Account Clearing

On Jul. 17, 2019, Enbridge Gas Inc. applied to the Ontario Energy Board (OEB) for approval to dispose of amounts recorded in certain 2018 deferral and variance accounts and for approval of the amount of its 2018 earnings that it is required to share with customers ([EB-2019-0105](#)). (Note: This 2018 deferral account application excludes any 2018 Cap-and-Trade or Demand Side Management (DSM) related deferrals).

Union rate zone customers: If approved, the account clearing will result in a one-time delivery adjustment being applied to a future bill of all customers who received contract rate delivery services in 2018 and a one-time gas supply transportation adjustment being applied to the bills of customers whom Union Gas (now operating as Enbridge Gas) provided upstream transportation services in 2018. North customers who received bundled storage services in 2018 will also see a one-time adjustment on a future bill.

EGD rate zone customers: If approved, the account clearing will result in a one-time delivery adjustment being applied to a future bill of all customers who received contract rate delivery services in 2018.

What are Deferral Accounts?

Deferral accounts are used to capture certain differences between Enbridge Gas' forecast and actual revenues and costs. The differences are either refunded or collected from customers, upon approval by the OEB, and are specifically allocated to each rate class.

Enbridge Gas separates the annual deferral account balances into three separate filings - non-DSM deferral account balances (discussed here), DSM-related deferral account balances and carbon-related deferral account balances. Separating the deferrals into three separate applications allows for the non-DSM and non-carbon deferral accounts to be cleared and communicated to our customers in a timely manner.

How to Estimate the 2018 Delivery Adjustment

You can estimate your customers' 2018 delivery adjustment by multiplying the proposed rate adjustment that applies to their service (shown below) by the actual volume of natural gas they consumed in 2018.

EGD Rate Zone Customers

Proposed Unit Rate for 2018 Delivery Adjustment (cents/m³)				
	System Gas	Ontario T-Service	Western T-Service	Dawn T-Service
Rate 1	(0.4854)	(0.4722)	(0.4854)	(0.4722)
Rate 6	(0.1524)	(0.1391)	(0.1524)	(0.1391)
Rate 9	0.0425	0.000	0.000	0.0000
Rate 100	(0.0660)	0.000	(0.0660)	(0.0527)
Rate 110	0.0189	0.0322	0.0189	0.0322
Rate 115	0.0313	0.0445	0.0313	0.0445
Rate 135	0.0305	0.0438	0.0305	0.0438
Rate 145	0.0023	0.0156	0.0023	0.0156
Rate 170	0.0410	0.0543	0.0410	0.0543
Rate 200	0.0290	0.0423	0.0290	0.0423

	Proposed CD Unit Rate for 2018 Delivery Adjustment (cents/m³)
Rate 125	(2.4335)
Rate 300	(11.4952)
Rate 332	(2.3820)

Union North Rate Zone Customers

Rate Class	Proposed Unit Rate for 2018 Delivery Adjustment (cents/m³)
Rate 20 ¹	0.0345
Rate 20T ²	0.0303
Rate 100T ²	0.0128
Rate 25	0.0450

¹ Sales and Bundled-T customers only

² T-service customers only

Union South Rate Zone Customers

Rate Class	Proposed Unit Rate for 2018 Delivery Adjustment (cents/m³)
Rate M4	(0.0241)

Rate Class	Proposed Unit Rate for 2018 Delivery Adjustment (cents/m ³)
Rate M5	0.1516
Rate M7	0.0020
Rate M9	(0.0151)
Rate M10	(0.0491)
Rate T1	(0.0460)
Rate T2	(0.0478)
Rate T3	(0.0615)

How to Estimate the 2018 Gas Supply Transportation Adjustment

You can estimate your customers' 2018 gas supply transportation adjustment by multiplying the proposed rate adjustment that applies to their service (shown in the table below) by:

Rate 20 - their 2018 annualized firm contract demand

Rate 25 - their actual volumes of natural gas consumed in 2018

Rate M4-M10 - their actual volume of natural gas consumed in 2018

Union North Rate Zone Customers

Rate Class	Proposed Unit Rate for 2018 Gas Supply Transportation Adjustment
North West	

Rate Class	Proposed Unit Rate for 2018 Gas Supply Transportation Adjustment
Rate 20	(19.3195) cents/m ³ /d
Rate 25	0.2366 cents/m ³
North East	
Rate 20	(2.8883) cents/m ³ /d
Rate 25	(0.0866) cents/m ³

How to Estimate the 2018 Bundled Storage Adjustment

You can estimate your customers' 2018 bundled storage adjustment by multiplying the proposed rate adjustment that applies to their service (shown below) by their 2018 annualized firm contract demand.

Union North Rate Zone Customers

Rate Class	Proposed Unit Rate for 2018 Bundled Storage Adjustment (\$/GJ/d)
Rate 20T	0.074
Rate 100T	0.074

Full details of this filing (EB-2019-0105) can be found on the [Enbridge Gas](#) or [Union Gas](#) websites.

If you have any questions about this material, please contact [Rob DiMaria](#) or [Patrick Boyer](#).