

Information for Energy Marketers

Enbridge Gas Receives Ontario Energy Board Approval for Rate Changes Effective Jan. 1, 2021

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective Jan. 1, 2021 (EB-2020-0264). 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, 2021 rates will reflect the OEB's Nov. 6, 2020 decision in EB-2020-0095 approving Phase 1 of Enbridge Gas' 2021 annual rate application. Distribution rates change annually based on the incentive rate-setting mechanism (IRM) related elements. Phase 1 rate changes include the annual rate escalation, pass through-costs, capital pass-through adjustments and Parkway Delivery Obligation rate adjustments. More information on the 2021 annual rate application can be found in our July 30, 2020 communication.

Information for EGD Rate Zone Customers

January 2021 QRAM and 2021 Distribution Rates

Utility Sales

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	Current Gas Supply Commodity Charge (cents/m³)	Approved Gas Supply Commodity Charge (cents/m³)	Change (cents/m³)
Rate 100	10.5400	11.4428	0.9029
Rate 110	10.4825	11.3844	0.9019
Rate 115	10.4825	11.3844	0.9019
Rate 135	10.4897	11.391	0.9020
Rate 145	10.4862	11.3881	0.9019
Rate 170	10.4825	11.3844	0.9019
	Current Cost Adjustment - Gas Supply Component (cents/m³)	Approved Cost Adjustment - Gas Supply Component (cents/m³)	Change (cents/m³)
Rate 100	(0.7110)	(1.0560)	(0.3450)
Rate 110	(0.3793)	(0.3786)	0.0007
Rate 115	(0.3344)	(0.2868)	0.0476
Rate 135	(0.3344)	(0.2868)	0.0476



	Current Gas Supply Commodity Charge (cents/m³)	Approved Gas Supply Commodity Charge (cents/m³)	Change (cents/m³)
Rate 145	(0.6350)	(0.9007)	(0.2657)
Rate 170	(0.5975)	(0.8241)	(0.2266)

Transportation Charges

	Current Transportation Charge (cents/m³)	Approved Transportation Charge (cents/m³)	Change (cents/m³)
Transportation to Enbridge Gas	4.0953	4.1187	0.0234
Transportation from Dawn	0.8174	0.9703	0.1529

Delivery Rates

The following changes to bundled delivery rates reflect quarterly updates to gas costs in delivery rates (unaccounted for gas) and changes for 2021 distribution rates. This can be found on the "Delivery" line of the invoice.



	Approved Delivery Rate Change (cents/m³)
Rate 100	0.0012
Rate 110	(0.0006)
Rate 115	(0.0091)
Rate 135	0.2338
Rate 145	1.7585
Rate 170	(0.0018)

Load Balancing Charges

	Approved Load Balancing Rate Change (cents/m³)
Rate 100	(0.0720)
Rate 110	(0.0149)
Rate 115	(0.0045)
Rate 135	0.0000
Rate 145	(0.0316)
Rate 170	(0.0142)

Contract Demand Charges



	Approved Change (cents/month/m³)*
Rate 100	0.6267
Rate 110	0.3988
Rate 115	0.4240
Rate 145	0.1433
Rate 170	0.0712

^{*} Change due to EB-2020-0095 Rate Order effective Jan. 1, 2021.

Customer Charges

	Approved Change (\$/month)*
Rate 100	2.12
Rate 110	10.22
Rate 115	10.84
Rate 135	2.00
Rate 145	2.15
Rate 170	4.86

 $^{^{*}}$ Change due to EB-2020-0095 Rate Order effective Jan. 1, 2021.



General Service <u>Rate 6</u> will also be changing effective Jan. 1, 2021. Customers can find current information on these rates on our website or in the notice included with their January bill.

Information for Union North Rate Zone Customers

January 2021 QRAM

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/m³)
Rate 20	0.0034
Rate 100	No change

^{*}QRAM-related rate changes only

2021 Distribution Rates

Delivery Rates

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



	EB-2020-0095 Delivery Bill Impacts for Typical Customers (%)*
Rate 20	1.3% to 1.4%
Rate 25	1.9%
Rate 100	1.5%

^{*} Change due to EB-2020-0095 Rate Order effective Jan. 1, 2021.

Rate 01 and Rate 10 Customers

Rate 01 and Rate 10 will also be changing effective Jan. 1, 2021. Customers can find current information on these rates on our website or in the notice included with their January bill.

Balancing Transaction Fees

Balancing transaction fees will be updated effective Jan. 1, 2021. For current rates, please see the <u>Balancing Transaction Fee Schedule</u>.

Information for Union South Rate Zone Customers

January 2021 QRAM

Utility Sales

	Current Utility Sales (cents/m³)	Approved Utility Sales* (cents/m³)	Change (cents/m³)
Gas Commodity Rate	12.3205	13.0590	0.7385



	Current Utility Sales (cents/m³)	Approved Utility Sales* (cents/m³)	Change (cents/m³)
Gas - Price Adjustment	0.5395	0.3634	(0.1761)

^{*}Approved utility sales rate effective Jan. 1, 2021.

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/m³)
Rate M4	0.0130
Rate M5A	0.0114
Rate M7	0.0123
Rate M9	0.0104
Rate M10	0.0148

^{*}QRAM-related rate changes only

2021 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

	EB-2020-0095 Delivery Bill Impacts for Typical Customers (%)*
Rate M4	3.6% to 5.7%
Rate M5A	5.1% to 6.4%
Rate M7	-2.2% to -1.9%
Rate M9	3.9%
Rate M10	1.6%
Rate T1	0.6% to 0.8%
Rate T2	0.0% to 0.2%
Rate T3	1.7%

^{*} Change due to EB-2020-0095 Rate Order effective Jan. 1, 2021.

Rate M1 and Rate M2 Customers

<u>Rate M1</u> and <u>Rate M2</u> will also be changing effective Jan. 1, 2021. Customers can find current information on these rates on our website or in the notice included with their January bill.

Balancing Transaction Fees

Balancing transaction fees will be updated effective Jan. 1, 2021. For current rates, please see the <u>Balancing Transaction Fee Schedule</u>.



Update: 2017/2018 DSM Deferral Clearance Application

On July 17, 2020, Enbridge Gas applied to the Ontario Energy Board (OEB) to dispose of its 2017 and 2018 Demand Side Management (DSM) deferral and variance account balances (<u>EB-2020-0067</u>). The DSM program is our energy conservation program that is available to customers.

Once the OEB completes its review and provides their final decision on this application, clearance of these balances is expected to result in a one-time adjustment being applied to bills for all customers who received in-franchise contract rate delivery services in 2018.

In an effort to minimize the impact on customers, Enbridge Gas proposes to uniformly dispose of the balances over a three-month period effective April 1, 2021 (as a one-time adjustment disposed of in three equal installments from April to June). This will be dependent on the timing of the OEB's decision and we will provide further information when a decision is received from the Board.

Enbridge Gas to rename Unionline

Enbridge Gas is excited to share that we will be updating Unionline to reflect the Enbridge Gas brand.

We will be renaming Unionline to Enerline by the end of Q2 2021, introducing a new name, refreshed colour palette and a new web address. You can be assured that the user experience within the application will remain the same - we will not be implementing functionality changes as part of the branding effort. Watch for more communications closer to our launch date.

If you have any questions about this material, please contact Rob DiMaria or Patrick Boyer.