

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

December 17, 2021

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective Jan. 1, 2022 ([EB-2021-0281](#)). 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.

Increasing demand related to both North American consumption and increased LNG exports destined for European/Asian markets and a shift into the heating season in North America, has put upward pressure on the market prices of natural gas. Enbridge Gas has taken steps to reduce the bill impact of the Jan. 1 QRAM on our customers, working with the Ontario Energy Board and the Government of Ontario. Enbridge Gas will recover deferred costs at a later date.

In addition to updating rates in the EGD and Union rate zones in accordance with Enbridge Gas' Board-approved QRAM methodologies, Jan. 1, 2022 rates will also reflect the OEB's Oct. 28, 2021 decision in [EB-2021-0147](#) approving Phase 1 of Enbridge Gas' 2022 annual rate application. Distribution rates change annually based on the incentive rate-setting mechanism (IRM) related elements. Phase 1 rate changes include price cap escalation, pass-through costs, capital pass-through adjustments and Parkway Delivery Obligation rate adjustments. More information on the 2022 annual rate application can be found in our [July 22, 2021 communication](#).

Information for EGD Rate Zone Customers

January 2022 QRAM and 2022 Distribution Rates

Utility Sales

	Current Gas Supply Commodity Charge (cents/m ³)	Approved Gas Supply Commodity Charge (cents/m ³)	Change (cents/m ³)
Rate 100	14.9444	16.7942	1.8498
Rate 110	14.8860	16.7349	1.8489
Rate 115	14.8860	16.7349	1.8489
Rate 135	14.8933	16.7423	1.8490
Rate 145	14.8897	16.7387	1.8490
Rate 170	14.8860	16.7349	1.8489

	Current Cost Adjustment - Gas Supply Component (cents/m³)	Approved Cost Adjustment - Gas Supply Component (cents/m³)	Change (cents/m³)
Rate 100	(1.6177)	(2.2279)	(0.6102)
Rate 110	(0.1748)	(0.2927)	(0.1179)
Rate 115	0.0207	(0.0305)	(0.0512)
Rate 135	0.0207	(0.0305)	(0.0512)
Rate 145	(1.2870)	(1.7843)	(0.4973)
Rate 170	(1.1238)	(1.5655)	(0.4417)

Transportation Charges

	Current Transportation Charge (cents/m³)	Approved Transportation Charge (cents/m³)	Change (cents/m³)
Transportation to Enbridge	4.1543	4.4511	0.2968
Transportation from Dawn	0.9703	0.9694	(0.0009)

Delivery Rates

The following changes to bundled delivery rates reflect quarterly updates to gas costs in delivery rates (unaccounted for gas) and changes for 2022 distribution rates. This can be found on the “Delivery” line of the invoice.

	Approved Delivery Rate Change (cents/m³)
Rate 100	0.0030
Rate 110	0.0629
Rate 115	0.1215
Rate 135	0.3040
Rate 145	0.9412
Rate 170	0.1396

Load Balancing Charges

	Approved Load Balancing Rate Change (cents/m ³)
Rate 100	0.1907
Rate 110	0.0419
Rate 115	0.0125
Rate 135	0.0000
Rate 145	0.0894
Rate 170	0.0400

Contract Demand Charges

	Approved Change (cents/month/m ³)*
Rate 100	0.5248
Rate 110	0.3340
Rate 115	0.3552
Rate 145	0.1200
Rate 170	0.0596

* Change due to EB-2021-0147 Rate Order effective Jan. 1, 2022.

Customer Charges

	Approved Change (\$/month)*
Rate 100	1.7752
Rate 110	8.5639
Rate 115	9.0764
Rate 135	1.6818
Rate 145	1.8002
Rate 170	4.0713



* Change due to EB-2021-0147 Rate Order effective Jan. 1, 2022.

[Rate 6](#) will also be changing effective Jan. 1, 2022. Customers can find current rate information on our website or in the notice included with their January bill.

Information for Union North Rate Zone Customers

January 2022 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/m ³)
Rate 20	0.0128
Rate 100	0.0002

*QRAM-related rate changes only

2022 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-2021-0147 Delivery Bill Impacts for Typical Customers (%)*
Rate 20	0.1 to 1.0
Rate 25	1.6
Rate 100	0.9 to 1.0

* Change due to EB-2021-0147 Rate Order effective Jan. 1, 2022.

Rate 01 and Rate 10 Customers

[Rate 01](#) and [Rate 10](#) will also be changing effective Jan. 1, 2022. 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, 2022. For current rates, please see the [Balancing Transaction Fee Schedule](#).



Information for Union South Rate Zone Customers

January 2022 QRAM

Utility Sales

	Current Utility Sales (cents/m ³)	Approved Utility Sales* (cents/m ³)	Change (cents/m ³)
Gas Commodity Rate	16.8421	19.5945	2.7524
Gas – Price Adjustment	0.3088	(1.5416)	(1.8504)

*Approved utility sales rate effective Jan. 1, 2022.

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	0.0509
Rate M5A	0.0433
Rate M7	0.0465
Rate M9	0.0388
Rate M10	0.0553

*QRAM-related rate changes only

2022 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-2021-0147 Delivery Bill Impacts for Typical Customers (%)*
Rate M4	3.5 to 4.5
Rate M5A	3.0 to 3.5



EB-2021-0147 Delivery Bill Impacts for Typical Customers (%)*	
Rate M7	(3.3) to (2.7)
Rate M9	1.2
Rate M10	3.0
Rate T1	1.2 to 1.4
Rate T2	0.1 to 0.2
Rate T3	2.5

* Change due to EB-2021-0147 Rate Order effective Jan. 1, 2022.

Rate M1 and Rate M2 Customers

[Rate M1](#) and [Rate M2](#) will also be changing effective Jan. 1, 2022. 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, 2022. For current rates, please see the [Balancing Transaction Fee Schedule](#).

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