

Information for Energy Marketers

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 (<u>EB-2022-0286</u>). 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 <u>EB-2022-0133</u> 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 (<u>EB-2022-0110</u>). 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 <u>Nov. 29, 2022 communication</u>.

Information for EGD Rate Zone Customers

January 2023 QRAM and 2023 Distribution Rates

Utility Sales

	Current Gas Supply Commodity Charge (cents/m³)	Approved Gas Supply Commodity Charge (cents/m³)	Change
Rate 100	27.6800	21.2899	(6.3901)
Rate 110	27.6208	21.2285	(6.3923)
Rate 115	27.6208	21.2285	(6.3923)
Rate 135	27.6282	21.2362	(6.3920)
Rate 145	27.6246	21.2325	(6.3921)
Rate 170	27.6208	21.2285	(6.3923)



	Current Gas Supply Commodity Charge (cents/m³)	Approved Gas Supply Commodity Charge (cents/m³)	Change
	Current Cost Adjustment - Gas Supply Component (cents/m³)	Approved Cost Adjustment - Gas Supply Component (cents/m³)	Change
Rate 100	.2905	1.7852	1.4947
Rate 110	3.9802	3.2939	(0.6863)
Rate 115	4.4802	3.4983	(0.9819)
Rate 135	4.4802	3.4983	(0.9819)
Rate 145	1.1362	2.1310	0.9948
Rate 170	1.5535	2.3016	0.7481

Transportation Charges

	Current Transportation Charge (cents/m³)	Approved Transportation Charge (cents/m³)	Change
Transportation to Enbridge	5.2075	5.0933	(0.1142)
Transportation from Dawn	0.9694	0.9681	(0.0013)

Delivery Rates

The following changes to bundled delivery rates reflect quarterly updates to gas costs in delivery rates (unaccounted for gas) and changes for 2023 distribution rates. This can be found on the "Delivery" line of the invoice.

	Approved Delivery Rate Change (cents/m³)
Rate 100	(0.0093)
Rate 110	(0.0482)
Rate 115	(0.0810)



	Approved Delivery Rate Change (cents/m³)
Rate 135	0.4893
Rate 145	0.9916
Rate 170	(0.2667)

Load Balancing Charges

	Approved Load Balancing Rate Change (cents/m³)
Rate 100	(0.3229)
Rate 110	(0.0721)
Rate 115	(0.0211)
Rate 135	0.0000
Rate 145	(0.1535)
Rate 170	(0.0688)

Contract Demand Charges

	Approved Change (cents/month/m³)*
Rate 100	1.3685
Rate 110	0.8709
Rate 115	0.9260
Rate 145	0.3128
Rate 170	0.1555

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



Customer Charges

	Approved Change (\$/month)*
Rate 100	4.6365
Rate 110	22.3307
Rate 115	23.6693
Rate 135	4.3740
Rate 145	4.6921
Rate 170	10.6193

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

Rate 6 will also be changing effective Jan. 1, 2023. Customers can find current rate information on our website.

Information for Union North Rate Zone Customers

January 2023 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	(0.0314)
Rate 100	(0.0004)

^{*}QRAM-related rate changes only

2023 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-2022-0133 Delivery Bill Impacts for Typical Customers (%)*
Rate 20	2.9 to 3.0
Rate 25	4.4
Rate 100	4.1

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

Rate 01 and Rate 10 Customers

Rate 01 and Rate 10 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.

Information for Union South Rate Zone Customers

January 2023 QRAM

Utility Sales

	Current Utility Sales (cents/m³)	Approved Utility Sales* (cents/m³)	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.

	Approved Delivery Rate Change* (cents/m³)
Rate M4	(0.1309)
Rate M5A	(0.1074)
Rate M7	(0.1251)



	Approved Delivery Rate Change* (cents/m³)	
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

	EB-2022-0133 Delivery Bill Impacts for Typical Customers (%)*
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

<u>Balancing transaction fees</u> 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 the material in this material, please contact <u>Rob DiMaria</u> or <u>Patrick</u> Boyer.