

# Information for Large Volume EGD Rate Zone Customers

September 24, 2020

## Enbridge Gas files an Application for 2017 and 2018 Demand Side Management Deferral and Variance Account Clearing

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 ([EB-2020-0067](#)).

The proposed 2017/2018 DSM deferral and variance account adjustment includes the actual cost of delivering the DSM programs (versus the forecast cost built into 2017/2018 rates), revenue recovery attributable to consumption reduction due to DSM conservation measures (Lost Revenue Adjustment Mechanism), as well as incentives Enbridge Gas earns when meeting OEB-approved DSM targets. The proposed adjustment does not include any gas cost-related deferrals that are managed under the QRAM process or other non-commodity deferral balances.

Enbridge Gas is proposing to refund approximately \$10.43 million to in-franchise contract rate class customers in the Enbridge Gas Distribution (EGD) rate zone related to 2017/2018 balances in the DSM deferral and variance accounts.

Once the OEB completes its review and provides their final decision on this application, clearance of these balances would result in a one-time delivery adjustment being applied to bills for all EGD rate zone customers who received in-franchise contract rate delivery services in 2018. Enbridge Gas has proposed the disposition of the DSM deferral and variance account balances be implemented on Jan. 1, 2021 to align with other rate changes. This is dependent on the timing of the OEB's decision. Further information will be provided when a decision is received from the Board.

### **How to Estimate the 2017/2018 DSM Delivery Adjustment**

To estimate your 2017/2018 DSM delivery adjustment, multiply the proposed rate adjustment that applies to your service (shown below) by the actual volume of natural gas you consumed in 2018.

Rate Class	Proposed Unit Rate for 2017/2018 DSM Delivery Adjustment (cents/m <sup>3</sup> )		
	2017	2018	Total
Rate 100	0.0000	0.0000	0.0000
Rate 110	(0.0460)	(0.1146)	(0.1606)
Rate 115	(0.1674)	(0.2317)	(0.3991)
Rate 135	0.1993	0.2273	0.4266
Rate 145	(3.8778)	(2.7132)	(6.5910)
Rate 170	(0.6873)	(0.6762)	(1.3635)
Rate 200	(0.0029)	0.0007	(0.0021)

Rate Class	Proposed CD Unit Rate for 2017/2018 DSM Delivery Adjustment (cents/m <sup>3</sup> )		
	2017	2018	Total
Rate 125	(0.1638)	0.0430	(0.1208)
Rate 300	(6.4806)	1.7002	(4.7804)

For more information, find the full application ([EB-2020-0067](#)) posted on our website.

### 2019 Demand Side Management Deferral and Variance Accounts

The OEB audit process for the 2019 DSM programs is in its initial stages and as such we don't know the timing of its completion. However, once completed, Enbridge Gas will apply to the OEB to dispose of the 2019 DSM Deferral and Variance Account balances. Further information will be provided when that application is filed.

## Enbridge Gas Inc. Receives Ontario Energy Board Approval for Rate Changes Effective Oct. 1, 2020

Enbridge Gas Inc. recently received approval from the Ontario Energy Board (OEB) for rate changes effective Oct. 1, 2020. These changes were proposed to the OEB earlier this month as part of the Quarterly Rate Adjustment Mechanism (QRAM) and approved as filed ([EB-2020-0195](#)).

In addition to updating rates in accordance with Enbridge Gas' Board-approved QRAM methodologies, Oct. 1, 2020 rates will reflect implementation of two additional Board decisions:

- On June 11, 2020 the Board approved Incremental Capital Module (ICM) unit rates for implementation effective Oct. 1, 2020 in Enbridge Gas' 2020 Rates proceeding ([EB-2019-0194](#)).
- August 13, 2020 the Board approved 2019 Federal Carbon Pricing Program-related deferral and variance accounts for disposition effective Oct. 1, 2020 in Enbridge Gas' 2020 Federal Carbon Pricing Program proceeding ([EB-2019-0247](#)). The account balances will be recovered over a three-month period (from Oct. 1, 2020 to Dec. 31, 2020) for all Enbridge Gas customers. Note: The Federal Carbon Charge and 2019 balances in the customer variance accounts for on-reserve First Nations customers are interim, per the Board's decision and order in EB-2019- 0247.

### Federal Carbon Charge Deferral and Variance Account Clearing

	Monthly Unit Rate for OBPS Customer One-Time Rate Adjustment (cents/m <sup>3</sup> )
Rate 100	0.0025
Rate 110	0.0025
Rate 115	0.0025

Rate 125	0.0025
Rate 135	0.0025
Rate 145	0.0026
Rate 170	0.0025
Rate 200	0.0025
Rate 300	0.0027
Rate 300 Interruptible	0.0027
Rate315	0.0000
Rate 332	0.0025

\*recovered over a three-month period from Oct. 1, 2020 to Dec. 31, 2020 and based on actual April 1 to July 31, 2019 volume

	<b>Monthly Unit Rate for non- OPBS Customer One- Time Rate Adjustment* (if applicable) (cents/m<sup>3</sup>)</b>
Rate 100	1.3355
Rate 110	1.3355
Rate 115	1.3354
Rate 125	0.0025
Rate 135	1.3355
Rate 145	1.3355
Rate 170	1.3354
Rate 200	0.0025
Rate 300	1.3356

Rate 300	
Interruptible	1.3356
Rate315	0.0000
Rate 332	0.0025

\*recovered over a three-month period from Oct. 1, 2020 to Dec. 31, 2020 and based on actual customer-related April 1 to July 31, 2019 volumes

The Ontario government recently [announced](#) new Ontario Emissions Performance Standards (EPS). Enbridge Gas is working to understand the transition plan from the federal government's Output Based Pricing System to the EPS, and we will communicate further once we have more details.

### October 2020 QRAM

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.

### Utility Sales

	Current Gas Supply Commodity Charge (cents/m <sup>3</sup> )	New Approved Gas Supply Commodity Charge (cents/m <sup>3</sup> )	Change (cents/m <sup>3</sup> )
Rate 100	7.7819	10.5400	2.7581
Rate 110	7.7244	10.4825	2.7581
Rate 115	7.7244	10.4825	2.7581
Rate 135	7.7316	10.4897	2.7581
Rate 145	7.7281	10.4862	2.7581
Rate 170	7.7244	10.4825	2.7581

	Current Cost Adjustment - Gas Supply Component (cents/m <sup>3</sup> )	New Approved Cost Adjustment - Gas Supply Component (cents/m <sup>3</sup> )	Change (cents/m <sup>3</sup> )
Rate 100	0.1662	(0.7110)	(0.8772)
Rate 110	(0.4544)	(0.3793)	0.0751
Rate 115	(0.5385)	(0.3344)	0.2041
Rate 135	(0.5385)	(0.3344)	0.2041
Rate 145	0.0239	(0.6350)	(0.6589)
Rate 170	(0.0462)	(0.5975)	(0.5513)

	Current Transportation Charge (cents/m <sup>3</sup> )	New Approved Transportation Charge (cents/m <sup>3</sup> )	Change (cents/m <sup>3</sup> )
Transportation to Enbridge	4.5661	4.0953	(0.4707)
Transportation from Dawn	0.8174	0.8174	0.0000

### Delivery Rates

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

	Approved Delivery Rate Change (cents/m <sup>3</sup> )
Rate 100	0.0033
Rate 110	0.0342
Rate 115	0.0336
Rate 135	0.0335
Rate 145	0.0352
Rate 170	0.0342

### Load Balancing Charges

	Approved Load Balancing Change (cents/m <sup>3</sup> )
Rate 100	(0.1243)
Rate 110	(0.0259)
Rate 115	(0.0079)
Rate 135	0.0000

Rate 145	(0.0552)
Rate 170	(0.0247)

### Contract Demand Charges

	Approved Delivery Rate Change (cents/month/m <sup>3</sup> )*
Rate 100	0.1002
Rate 110	0.1293
Rate 115	0.1718
Rate 135	0.0000
Rate 145	0.0265
Rate 170	0.0082

\*Rate change due to EB-2019-0194, Phase 2, Final Rate Order 2020 Incremental Capital Module (“ICM”) unit rates effective Oct. 1, 2020.

General Service [Rate 6](#) will also be changing effective Oct. 1, 2020. Customers can find current information on these rates on our website or in the notice included with their October bill.

Full details of this filing ([EB-2020-0195](#)) can be found on our website. If you have any questions about the material in this newsletter, please contact your account manager.