

Information for Large Volume Union South Rate Zone Customers

March 29, 2021

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

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective April 1, 2021 ([EB-2021-0070](#)). 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 Enbridge Gas Distribution (EGD) and Union rate zones in accordance with Enbridge Gas' Board-approved QRAM methodologies, April 1, 2021 rates will also reflect:

- an increase to the federal carbon charge and facility carbon charge as approved by the OEB in Enbridge Gas' 2021 Federal Carbon Pricing Program proceeding ([EB-2020-0212](#)), and
- the disposal of the 2017 and 2018 Demand Side Management (DSM) deferral and variance account balances ([EB-2020-0067](#)). Clearance of these balances will result in a rate adjustment being applied to bills for all customers who received in-franchise contract rate delivery services in 2018. Enbridge Gas will uniformly dispose of the balances over three equal installments from April to June.

More information on the federal carbon charge, facility carbon charge and the 2017 and 2018 Demand Side Management (DSM) deferral and variance account balances can be found in our [Feb. 25, 2021 communication](#).

April 2021 QRAM

Utility Sales

	Current Utility Sales (cents/m³)	New Approved Utility Sales (cents/m³)	Change (cents/m³)
Gas Commodity Rate	13.0590	13.4774	0.4184
Gas - Price Adjustment	0.3634	0.2312	(0.1322)

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	0.0073
Rate M5A	0.0064
Rate M7	0.0069
Rate M9	0.0059
Rate M10	0.0083

*Excludes approved changes reflecting the 2021 Federal Carbon Pricing Program application (EB-2020-0212).

Rate M1 and Rate M2 Customers

[Rate M1](#) and [Rate M2](#) will also be changing effective April 1, 2021. Customers can find current information on these rates on our website or in the notice included with their April bill.

Balancing Transaction Fees

Balancing transaction fees will be updated effective April 1, 2021. For current rates, please see the [Balancing Transaction Fee Schedule](#).

For more information, find the full application ([EB-2021-0070](#)) posted on our website.

Enbridge Gas files an Application for 2019 Demand Side Management Deferral and Variance Account Clearing

On March 10, 2021, Enbridge Gas applied to the Ontario Energy Board (OEB) to dispose of its 2019 Demand Side Management (DSM) deferral and variance account balances ([EB-2021-0072](#)). The DSM program is our energy conservation program that is available to customers.

The proposed 2019 DSM deferral and variance account adjustment includes the actual cost of delivering the DSM programs (versus the forecast cost built into 2019 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 recover approximately \$2.568 million from Union South rate zone in-franchise contract rate class customers related to 2019 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 rate adjustment being applied to bills for all customers who received in-franchise delivery services. Enbridge Gas has proposed to uniformly dispose of the balances with a one-time billing adjustment effective Oct. 1, 2021. 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.

How to Estimate Your 2019 DSM Delivery Adjustment

To estimate your 2019 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 2019.

Rate Class	Proposed Unit Rate for 2019 DSM Delivery Adjustment (cents/m³)
Rate M4	0.2297
Rate M5	0.2615
Rate M7	0.3908

Rate Class	Proposed Unit Rate for 2019 DSM Delivery Adjustment (cents/m ³)
Rate M9	-
Rate M10	-
Rate T1	(0.1543)
Rate T2	(0.0149)
Rate T3	-

For more information, find the full application ([EB-2021-0072](#)) posted on our website.

If you have any questions about any of the material in this newsletter, please contact your account manager.