

Sept. 23, 2022

Information for Large Volume Union South Rate Zone Customers

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

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective Oct. 1, 2022 (EB-2022-0219). 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.

The continuing Russian conflict paired with strong domestic demand and increased global demand for U.S. liquefied natural gas (LNG) exports has resulted in historically high natural gas market prices, which are anticipated to continue for some time.

We understand that energy affordability is a priority for Ontario families and businesses. With the OEB's approval, from October 2021 to September 2022 Enbridge Gas took steps to reduce the impact of rising market prices on customers. We will continue to gradually recover the smoothed-out costs over the coming months. While we see another increase in prices, the magnitude of the increase is proportionally smaller than increases in the past year.

October 2022 QRAM

Utility Sales

| | Current Utility Sales (cents/m³) | New Approved Utility Sales (cents/m³) | Change (cents/m³) |
|------------------------|----------------------------------|---------------------------------------|----------------------|
| Gas Commodity Rate | 30.3894 | 32.6349 | 2.2455 |
| Gas - Price Adjustment | 0.9857 | 3.4561 | 2.4704 |

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 | 0.0415 |
| Rate M5A | 0.0353 |
| Rate M7 | 0.0379 |
| Rate M9 | 0.0316 |
| Rate M10 | 0.0449 |



Rate M1 and Rate M2 Customers

<u>Rate M1</u> and <u>Rate M2</u> will also be changing effective Oct. 1, 2022. Customers can find current information on these rates on our website or in the notice included with their October bill.

Balancing Transaction Fees

Balancing transaction fees will be updated effective Oct. 1, 2022. For current rates, please see the Balancing Transaction Fee Schedule.

For more information, find the full application (EB-2022-0219) posted on our website.

Force Majeure and Interruption Notification System Testing

In October, Enbridge Gas will be completing tests of both its force majeure and interruption notification systems.

During these tests, customers will be contacted and are asked to "reply" upon receipt.

In the event of an actual force majeure, customers are required to immediately cease consumption of natural gas upon receipt of the force majeure notification.

Keep contact information up to date

It is important that Enbridge Gas has up-to-date contact information in case of curtailment to contract distribution service. In the event of a contract service interruption or force majeure, Enbridge Gas will contact customers using the information we have on file.

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