ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF ENBRIDGE GAS INC.

Enbridge Gas Inc. has applied to dispose of the balances of certain deferral and variance accounts.

Learn more. Have your say.

If the application is approved as filed, a typical residential customer of Enbridge Gas Inc. will see the following one-time billing adjustment, effective January 1, 2023:

EGD Rate Zone (former Enbridge Gas Distribution Inc. customers)

• **Residential Rate 1 Sales Service and Direct Purchase** customers will see a one-time billing charge of \$5.01, effective January 1, 2023.

Union Rate Zone (former Union Gas Limited customers)

- Union South Residential Rate M1 Sales Service customers will see a one-time billing charge of \$9.34, effective January 1, 2023.
- Union South Residential Rate M1 Direct Purchase customers will see a one-time billing charge of \$1.91, effective January 1, 2023.
- Union North-West Residential Rate 01 Sales Service and Direct Purchase customers will receive a one-time billing credit of \$17.33, effective January 1, 2023.
- Union North-East Residential Rate 01 Sales Service and Direct Purchase customers will see a one-time billing charge of \$7.78, effective January 1, 2023.

Other customers, including businesses, may also be affected.

Under the OEB-approved Earnings Sharing Mechanism, Enbridge Gas Inc. is required to share with customers any earnings that are 150 basis points over the OEB-approved return on equity. Enbridge Gas Inc. says that its 2021 earnings were below the 150 basis point threshold and as a result it is not proposing to share any earnings with customers.

THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Enbridge Gas's application. During this hearing, which could be an oral or written hearing, we will review Enbridge Gas's 2021 earnings and the deferral account balances that are requested for disposition. We will also hear questions and arguments from individuals that have registered to participate (called intervenors) in the OEB's hearing. At the end of this hearing, the OEB will decide whether to approve Enbridge Gas's request to dispose of the deferral account balances.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review Enbridge Gas's application on the OEB's website now
- You can file a letter with your comments, which will be considered during the hearing
- You can become an intervenor. As an intervenor, you can ask questions about Enbridge Gas's application and make arguments on whether the OEB should approve Enbridge Gas's request. Apply by **July 8, 2022** or the hearing will go ahead without you and you will not receive any further notice of the proceeding
- At the end of the process, you can review the OEB's decision and its reasons on our website

The OEB intends to consider cost awards in this proceeding that are in accordance with the Practice Direction on Cost Awards and only in relation to the following:

1) The review of the following deferral and variance accounts:

EGD Rate Zone (former Enbridge Gas Distribution Inc.) Accounts

- Storage and Transportation Deferral Account
- Transactional Services Deferral Account
- Unaccounted for Gas Variance Account
- Average Use True-Up Variance Account
- Deferred Rebate Account
- Transition Impact of Accounting Changes Deferral Account
- OEB Cost Assessment Variance Account
- Dawn Access Costs Deferral Account

Union Rate Zones (former Union Gas Limited) Accounts

- Upstream Transportation Optimization Deferral Account
- Unabsorbed Demand Costs Variance Account
- Short-Term Storage and Other Balancing Services
- Normalized Average Consumption Deferral Account
- Deferral Clearing Variance Account Variance Account
- OEB Cost Assessment Variance Account
- Parkway West Project Costs Deferral Account
- Lobo D/Bright C/Dawn H Compressor Project Costs Deferral Account
- Panhandle Reinforcement Project Costs Deferral Account
- Unaccounted for Gas Volume Variance Account
- Unaccounted for Gas Price Variance Account

Enbridge Gas Inc. Accounts

- Tax Variance Accelerated Capital Cost Allowance Enbridge Gas Inc.
- Integrated Resource Planning Operating Costs Deferral Account
- 2) The review of Enbridge Gas Inc.'s 2021 earnings, earnings sharing calculations and the 2021 Performance Scorecard.
- 3) The review of the methodology for the allocation and disposition of the deferral and variance account balances.

LEARN MORE

These proposed charges relate to Enbridge Gas's distribution services. The above referenced billing adjustment will appear as a separate line on your bill. Our file number for this case is **EB-2022-0110**. To learn more about this hearing, find instructions on how to file a letter with your comments or become an intervenor, or to access any document related to this case, please select the file number **EB-2022-0110** from the list on the OEB website: <u>www.oeb.ca/notice</u>. You can also phone our Public Information Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. Enbridge Gas has applied for a written hearing. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **July 8, 2022**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 36 of the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B.



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