

Information for Union South Customers

March 28, 2025

Enbridge Gas Receives Ontario Energy Board Approval for Rate Changes Effective April 1, 2025

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective April 1, 2025 (<u>EB-2025-0078</u>). These changes were proposed to the OEB earlier this month as part of the Quarterly Rate Adjustment Mechanism (QRAM) which forecasts natural gas market prices that are passed down to customers without markup. The price forecast has risen compared to the January 2025 QRAM due to colder-than-normal temperatures, lower North American inventory levels, and a weaker Canadian dollar.

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, 2025, rates will also reflect:

- the removal of the federal carbon charge from customer bills effective April 1, 2025. (*Please see more details on the elimination of the federal carbon charge provided in the next article.*)
- a one-time clearing of the 2023 FCPP-related Deferral and Variance account balances (<u>EB-2024-0251</u>).

All changes are reflected in the rates highlighted below.

Information for Union South Rate Zone Customers

Utility Sales

	Current Utility Sales (cents/m³)	New Approved Utility Sales (cents/m³)	Change (cents/m³)
Gas Commodity Rate	14.5957	19.8683	5.2726
Gas - Price Adjustment	(0.4541)	0.6929	1.1470

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	0.0648
Rate M5A	0.2043
Rate M7	0.0543



	Approved Delivery Rate Change* (cents/m³)	
Rate M9	0.0481	

^{*} Excludes approved changes reflecting the 2025 Federal Carbon Pricing Program Application (EB-2024-0251).

Rate M1 and Rate M2 Customers

Rate M1 and Rate M2 will also be changing effective April 1, 2025. Customers can find current information on these rates on our website.

Balancing Transaction Fees

Balancing transaction fees will be updated effective April 1, 2025. For current rates, please see the <u>Balancing</u> Services Rider A.

For more information, find the full application (EB-2025-0078) posted on our website.

Federal Carbon Charge Changes April 1, 2025

On March 15, 2025, the federal government set the federal carbon charge to \$0.00, effective April 1, 2025, through amending regulations under the federal Greenhouse Gas Pollution Pricing Act.

As a result of the new Regulations, Enbridge Gas sought and received approval from the Ontario Energy Board (OEB), to remove the federal carbon charge from customer bills effective April 1, 2025. The removal of the federal carbon charge will be applicable to all Enbridge Gas customers currently being charged the federal carbon charge on their bills. Please note that the bills will continue to show federal carbon charges incurred for any natural gas usage up to and including March 31, 2025.

There will continue to be a small facility carbon charge included in the delivery line on customers' bills. This charge is associated with the costs to operate Enbridge Gas' facilities that deliver natural gas to customers.

Customers registered under the EPS

Enbridge Gas is not aware of any changes to the Ontario Emissions Performance Standards (EPS) at this time. Large volume customers who are registered entities under the Ontario EPS must continue to comply with the EPS Regulations. For questions on your obligations as a registered entity under the Ontario EPS, please contact the provincial government at 1-888-217-3326 (Toll-free) or EPSHelp@ontario.ca.

Large volume customers that are registered under the Ontario EPS program and provided exemption documentation to Enbridge Gas are already exempt from the federal carbon charge on their natural gas usage. These customers will therefore see no change on their customer bills once the federal carbon charge is removed on April 1, 2025.

	Current Charge (cents/m³)	New Approved Charge (cents/m³)	Change (cents/m³)
Federal carbon pricing customer-related charge (if applicable)	15.2500	0.00	(15.2500)



	Current Charge (cents/m³)	New Approved Charge (cents/m³)	Change (cents/m³)
Federal carbon pricing facility-related carbon charge	0.0143	0.0172	0.0029

2023 Federal Carbon Charge Deferral and Variance Accounts

Enbridge Gas received OEB approval for the disposition of the 2023 balances recorded in its FCPP-related deferral and variance accounts effective April 1, 2025. This account clearing results in a one-time adjustment being applied to April bills for all customers.

Union South Rate Zone Customers

	Unit Rate for One-Time Rate Adjustment* (cents/m³)
Rate M4	(0.0018)
Rate M5A	0.0849
Rate M7	(0.0089)
Rate M9	(0.0087)
Rate T1	(0.0015)
Rate T2	(0.0087)
Rate T3	(0.0063)

^{*} Recovered/refunded on customers' April 2025 bills and based on actual Jan. 1 to Dec. 31, 2023 volumes.

Full details of the Federal Carbon Pricing Program application (EB-2024-0251) can be found on our website.

If you have any questions about this material, please contact your account manager.