

Information for Union South Customers

October 25, 2024

Enbridge Gas Files 2025 Federal Carbon Pricing Program Application

On Sept. 26, 2024, Enbridge Gas filed its 2025 Federal Carbon Pricing Program (FCPP) application with the Ontario Energy Board (OEB) for rate changes effective April 1, 2025 (<u>EB-2024-0251</u>). This application is seeking approval of rates to recover the costs associated with the federal Greenhouse Gas Pollution Pricing Act (GGPPA) and EPS Regulation as a pass-through to customers, as well as, for disposition of the 2023 balances in the FCPP-related deferral and variance accounts, excluding the Customer Carbon Charge variance accounts.

In accordance with the GGPPA, the federal government implemented a carbon pricing system in Ontario in 2019. Enbridge Gas bills and collects federal carbon charges from its customers and remits the money that we collect to the government.

The federal carbon charge for 2025 is based on \$95/tCO2e (18.11cents/m³). All natural gas consumption is subject to the federal carbon charge except natural gas consumption that qualifies for exemption under the GGPPA.

Proposed 2025 Federal Carbon Pricing Customer-Related Charge (if applicable)

Proposed 2025 Federal Carbon Pricing Facility-Related Charge

18.11 cents/m³

0.0172 cents/m³

The customer-related federal carbon charge (as applicable) is a separate line item on the bill. Customers who have registered and received an exemption certificate from the federal government will not be charged the customer-related charge. The facility-related carbon charge, which applies to all customers in each rate class regardless of their exemption status, is included in the delivery or transportation charges on customer bills.

2023 Federal Carbon Charge Deferral and Variance Accounts

In this application Enbridge Gas is seeking OEB approval for the disposition of the 2023 balances recorded in its FCPP-related deferral and variance accounts. If approved as filed, the account clearing will result in a one-time adjustment being applied to bills for all customers on the first QRAM following OEB approval, as early as April 2025.

Information for Union South Rate Zone Customers

	Unit Rate for One-Time Rate Adjustment* (cents/m ³)
Rate M2	0.0011
Rate M4	(0.0018)



	Unit Rate for One-Time Rate Adjustment* (cents/m ³)
Rate M5A	0.0849
Rate M7	(0.0089)
Rate M9	(0.0087)
Rate T1	(0.0015)
Rate T2	(0.0087)
Rate T3	(0.0063)

Note: proposed for recovery 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 (<u>EB-2024-0251</u>) can be found on our website.

Reminder for Customers with an Interruptible Distribution Service

Enbridge Gas is reminding customers that when their company receives a Notice of Interruption, their company has a contractual obligation to comply with the notice.

When Enbridge Gas issues a Notice of Interruption, interruptible customers must reduce their natural gas usage to the contracted firm levels as per the applicable schedule of their large volume distribution contract, in accordance with the instructions in the Notice of Interruption.

An interruptible customer's company must have the ability to reduce its natural gas consumption to contracted firm levels. If their company has not contracted for any firm service, the company must completely cease consuming natural gas during the interruption period. To avoid potential disruption to a company's operations and/or non-compliance charges, it is the company's obligation to ensure their back-up systems are tested and ready to use, and that adequate alternate fuel supply is on hand in the event of a service interruption.

It is important that companies keep their Interruption and Force Majeure contact information up to date with Enbridge Gas at all times. In the event of a contract service interruption or Force Majeure, Enbridge Gas will provide notice to customers using the contact information we have on file. Consider having more than one contact to cover vacations, changes in employment, etc.

Companies can make changes to the contact persons attached to a contract anytime during the year using Enbridge Gas' online system, or by notifying your account manager.

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