

**September 25, 2024** 

**Information for Union South Customers** 

# **Enbridge Gas Receives Ontario Energy Board Approval for Rate Changes Effective Oct. 1, 2024**

Enbridge Gas recently received approval from the Ontario Energy Board (OEB) for rate changes effective Oct. 1, 2024 (<u>EB-2024-0245</u>). These changes were proposed to the OEB earlier this month as part of the Quarterly Rate Adjustment Mechanism (QRAM).

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.

#### October 2024 QRAM

#### 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	13.9965	13.3984	(0.5981)
Gas - Price Adjustment	(0.9780)	(1.0470)	(0.0690)

# **Delivery Rates**

The following changes to delivery rates reflect quarterly updates to gas costs (compressor fuel, unaccounted for gas, own use 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	(0.0074)
Rate M5A	(0.0237)
Rate M7	(0.0062)
Rate M9	(0.0055)



#### Rate M1 and Rate M2 Customers

Rate M1 and Rate M2 will also be changing effective Oct. 1, 2024. Customers can find current information on these rates on our website.

### **Balancing Transaction Fees**

Balancing transaction fees will be updated effective Oct. 1, 2024. For current rates, please see the <u>Balancing Services Rider A</u>.

For more information, find the full application (EB-2024-0166) posted on our website.

# 2021 Demand Side Management Deferral and Variance Account Clearing Bill Adjustment

On May 7, 2024, Enbridge Gas received approval from the Ontario Energy Board (OEB) to dispose of its 2021 Demand Side Management (DSM) deferral and variance account balances (<u>EB-2023-0062</u>). The DSM program is our energy conservation program that is available to customers. Clearance of these balances will result in a one-time rate adjustment being applied to bills for all customers who received in-franchise delivery services. Enbridge Gas will uniformly dispose of the balances with a one-time billing adjustment effective Oct. 1, 2024 (October invoices are received in November).

The 2021 DSM deferral and variance account adjustment includes the actual cost of delivering the DSM programs (versus the budgeted costs built into 2021 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 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 refunding approximately \$10.3 million to customers in the Union rate zone, and approximately \$7.0 million will be collected from the Enbridge Gas Distribution rate zone customers related to 2021 balances in the DSM deferral and variance accounts.

# **How to Estimate the 2021 Deferral Adjustment**

You can estimate your 2021 deferral adjustment by multiplying the rate adjustment that applies to their service (shown below) by the actual volume of natural gas they consumed in 2021.

#### **Union South Rate Zone Customers**

	Approved Unit Rate for 2021 DSM Delivery Adjustment (cents/m³)	
Rate M4	(0.1861)	
Rate M5	(0.2372)	



	Approved Unit Rate for 2021 DSM Delivery Adjustment (cents/m³)
Rate M7	0.7755
Rate M9	-
Rate M10	-
Rate T1	(0.3054)
Rate T2	(0.0201)
Rate T3	-

For more information, find the full application (EB-2023-0062) posted on our website.

# **Enbridge Gas files an Application for 2022 Demand Side Management Deferral and Variance Account Clearing**

On Aug. 30, 2024, Enbridge Gas applied to the Ontario Energy Board (OEB) to dispose of its 2022 Demand Side Management (DSM) deferral and variance account balances (<u>EB-2024-0193</u>). The DSM program is our energy conservation program that is available to customers.

The proposed 2022 DSM deferral and variance account adjustment includes the actual cost of delivering the DSM programs (versus the budgeted costs built into 2022 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 refund approximately \$15.1 million to customers in the Union rate zone and collect approximately \$8.9 million from the Enbridge Gas Distribution rate zone customers related to 2022 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 as soon as April 1, 2025. 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 the 2022 Deferral Adjustment**

You can estimate your 2022 deferral adjustment by multiplying the proposed rate adjustment that applies to their service (shown below) by the actual volume of natural gas they consumed in 2022.



#### **Union South Rate Zone Customers**

	Proposed Unit Rate for 2022 DSM Delivery Adjustment (cents/m³)
Rate M4	(0.2973)
Rate M5	(0.3621)
Rate M7	0.1802
Rate M9	-
Rate M10	-
Rate T1	(0.2143)
Rate T2	(0.0252)
Rate T3	-

For more information, find the full application (EB-2024-0193) posted on our website.

# **Interruption Notification System Testing**

In October, Enbridge Gas will be completing a test of its notification system to interruptible customers. During this test, customers with interruptible service will be contacted and are asked to acknowledge the notification upon receipt of the test.

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

### Keep contact information up to date

It's 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 this material, please contact your account manager.