

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

April 2021

The Ontario Energy Board (OEB) approved changes to the rates Enbridge Gas Inc. charges customers effective April 1, 2021. Your new rates are shown on the accompanying **Rate M7** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

Delivery

Approved 2021 delivery rate increases are reflected in the new rates for Rate M7 customers. Individual customer impacts will vary.

Approved delivery commodity rates also reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved April 1, 2021 delivery commodity rates include an increase of 0.0069 cents/m³. Individual customer impacts will vary based on usage.

Federal Carbon Charge

The federal carbon charge has increased from 5.8700 cents/m³ to 7.8300 cents/m³. This charge increases annually each April. All of the money collected for this charge goes to the federal government. Some businesses may be eligible for full or partial exemption from this charge under the federal carbon pricing program. Visit uniongas.com/carboncharge for more information.

Gas Supply

The gas commodity charge, **if applicable to your service**, has increased by 0.4184 cents/m³ to 13.4774 cents/m³. This change reflects the increase in Enbridge Gas' forecast cost to purchase natural gas for the next 12 months. This charge includes transportation costs to Ontario.

In addition, there is a decrease of 0.1322 cents/m³ related to the difference between the projected cost of natural gas that Enbridge Gas expects to pay and the amounts that Enbridge Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the "**Gas Price Adjustment**" line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

Enbridge Gas does not earn income on the sale of the natural gas commodity. The price we pay for the gas commodity is passed on directly to customers with no profit included.

Rate Adjustment

The OEB has approved a rate adjustment to reflect the difference between the amount customers paid for energy conservation programs (DSM) from Jan. 1, 2017 to Dec. 31, 2018 and the actual costs incurred. The Rate M7 adjustment will be a charge of 0.2756 cents/m³ which will appear on customers' April to June bills in three equal installments.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.