

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

**Enbridge Gas Distribution Inc. and Union Gas Limited
have applied for approval of a new framework that would set rates for the
delivery of natural gas from January 1, 2019 to December 31, 2028**

Learn more. Have your say.

Enbridge Gas Distribution Inc. and Union Gas Limited have jointly asked the Ontario Energy Board to approve a new framework that, if approved, would be used to set rates for the delivery of natural gas to customers in every year from 2019 to the end of 2028.

The rates that Enbridge Gas Distribution Inc. and Union Gas Limited currently charge customers for the delivery of natural gas are set using two separate five-year frameworks that will expire at the end of 2018. The Ontario Energy Board would normally review the costs of each of the gas utilities to set new rates starting in 2019. However, in a separate application, Enbridge Gas Distribution Inc. and Union Gas Limited have asked the Ontario Energy Board for approval to amalgamate the two utilities to form a single natural gas distribution, transmission and storage company effective January 1, 2019. As part of that application, which the Ontario Energy Board is reviewing in a separate hearing (EB-2017-0306), the utilities have asked to defer the full review of their costs for 10 years.

In the current application, the gas utilities have proposed a rate setting framework that would:

- escalate rates annually based on an index driven by inflation without reductions to account for productivity or for a stretch factor
- allow the continued recovery of certain routine, pass through costs such as gas commodity, upstream transportation and cap and trade costs
- allow the recovery of certain non-routine costs provided they are outside of the applicants' control and exceed a threshold of \$1 million

Enbridge Gas Distribution Inc. and Union Gas Limited have also asked for other approvals related to qualifying for incremental capital, adjustments to currently approved revenues and for the continuation of some, and the discontinuation of other deferral and variance accounts.

THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The OEB will hold a public hearing to consider the rate framework application filed by Enbridge Gas and Union Gas. We will question both companies on the case. We will also hear arguments from individuals and from groups that represent the customers of both Enbridge Gas and Union Gas. At the end of this hearing, the OEB will decide whether to approve the application.

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 the application filed by Enbridge Gas and Union Gas 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 active participant (called an intervenor). Apply by **December 16, 2017** 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, review the OEB's decision and its reasons on our website.

LEARN MORE

Our file number for this case is **EB-2017-0307**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please select the file number **EB-2017-0307** from the list on the OEB website: www.oeb.ca/notice. You can also phone our Consumer Relations 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 and Union Gas have asked for an oral 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 **December 16, 2017**.

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 hearing will be held under section 36 of the Ontario Energy Board Act, 1998, S.O. 1998.

