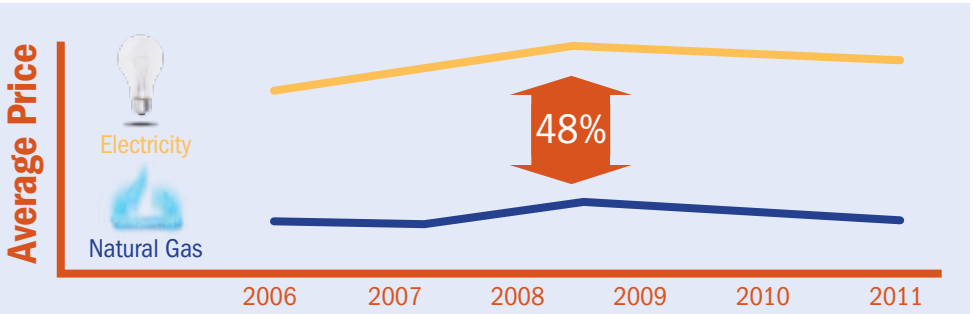


Natural gas continues to be an economical energy choice



Natural gas is the most economical energy choice for heating your home and water.

- During the last five years, natural gas purchased from the utility has been on average about 48 per cent cheaper than electricity.*
- Reliable, safe and efficient natural gas is the most popular choice for home and water heating in Ontario.

Enbridge Gas Distribution does not make a profit on the price of natural gas.

- About 70 per cent of its customers buy their natural gas supply from Enbridge Gas Distribution.
- The Gas Supply Charge, the price for natural gas fuel, makes up the biggest part, 45 per cent, of a customer's gas bill.**
- The utility's gas price is based on a forecast of North American market prices.
- Factors that impact the market price include: supply and demand, volume of gas in storage, availability and capacity of pipelines, and the cost of other energy sources.
- Enbridge Gas Distribution buys gas from producers on behalf of its customers.
- Customers who purchase their natural gas supply directly from Enbridge Gas Distribution pay the same as the utility's cost to purchase natural gas.

The Cost Adjustment Refund is a result of our actual costs being lower than previously forecast.

- A new Cost Adjustment Refund will be in place from January 1, 2011 to December 31, 2011. The refund makes up about 6 per cent of the bill.**

Customers have a 'Cost Adjustment' line on their monthly bill.

- As a regulated utility some of Enbridge's supply-related costs, such as the cost of natural gas and the cost of transporting natural gas to Ontario, are passed on to customers without any mark-up.
- For these types of costs, the utility establishes its rates based on a forecast of market prices for the next 12 months. The forecast price is reviewed every three months. Then, if forecasts are over or under actual costs, we refund or collect the difference through the Cost Adjustment.
- The adjustment is to ensure that customers that receive the product or service from Enbridge pay exactly what we paid.
- The Cost Adjustment may include components for natural gas supply, transportation, and delivery depending on which items customers purchase from Enbridge Gas Distribution.

Natural Gas Prices



The Customer Charge is a fixed monthly charge.

- This \$19 monthly charge makes up about 23 per cent of a customer's annual bill.**
- It helps cover fixed costs for infrastructure and customer services, such as emergency response, meter reading and maintenance of equipment.

For more information about
Enbridge Gas Distribution, visit
www.enbridgegas.com

* Based on a five-year rolling average from February 2006 to January 2011. Natural gas prices are based on Enbridge Gas Distribution's prices up to and including January 2011 rates. Electricity prices are based on Toronto Hydro's Ontario Energy Board approved rates up to and including current rates, approved in November 2010. Oil prices are based on publicly posted Statistics Canada historical rates up to and including rates available as of October 2010. The calculations are done on an energy equivalent basis. Estimates do not include taxes or any rental or financing costs.

** Based on a typical annual bill for a residential customer who buys gas from Enbridge Gas Distribution and uses 3,064 cubic metres of natural gas for home and water heating annually.

The Transportation charge is approved by the Ontario Energy Board (OEB).

- The 'Transportation to Enbridge' charge makes up about 15 per cent of a customer's bill.**
- This charge reflects the cost of transporting natural gas from Western Canada and the United States to Ontario.
- If a customer has a contract with a natural gas marketer, the agreement they have with their marketer will determine whether the 'Transportation to Enbridge' charge is shown with their marketer's charges or, alternatively, with their Enbridge Gas Distribution charges.

The Delivery charge is also approved by the OEB.

- The 'Delivery to You' charge makes up 23 per cent of a customer's bill.**
- This charge reflects the costs to safely and reliably deliver natural gas to customers.
- The 'Delivery to You' charge also includes a regulated rate of return on the capital that Enbridge has invested in the distribution system.

Customers can choose to buy their gas supply from Enbridge Gas Distribution or from a natural gas marketer.

- About 30 per cent of customers buy their natural gas from a natural gas marketer.
- They pay an agreed upon price for the Gas Supply Charge for a contracted period. Some marketer contracts also include transportation service.
- When the contract is up, customers can renew, choose another marketer or return to the utility for their gas supply.
- If a customer already has an existing gas supply contract with a marketer and is considering a new offer from another marketer, they should check their existing contract or contact the current marketer to find out what, if any, cancellation penalties apply. Some contracts may include a fee to terminate early.
- More information and a list of licensed marketers is available at www.energychoiceontario.ca.