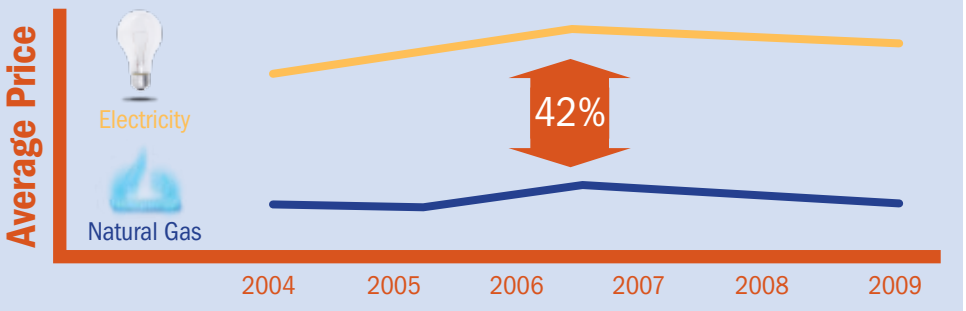


# Natural Gas Prices



Long-term trends show natural gas is the most economical energy choice



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

- During the last five years, natural gas has been on average about 42 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, a regulated utility, does not make a profit on the price of natural gas.

- About 65 per cent of our 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 60 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 on behalf of these customers from producers.

- Customers who purchase natural gas directly from Enbridge Gas Distribution pay the same as the utility's cost to purchase natural gas.
- The utility establishes a price for its natural gas supply based on a forecast of market prices for the next 12 months. The forecast price is reviewed every three months and, if necessary, adjusted accordingly to reflect market changes.
- If our forecasts are over or under our actual costs, we reimburse or collect from customers through Gas Cost Adjustments.

## The Gas Cost Adjustment refund is a result of our actual gas costs being lower than previously forecast.

- A new Gas Cost Adjustment refund will be in place from October 1, 2009 to March 31, 2010. The refund makes up about 16 per cent of the bill.\*
- The refund will only apply to customers who buy their gas supply from the utility.

# Natural Gas Prices



## The Customer Charge is a fixed monthly charge.

- This \$16 monthly charge makes up about 19 per cent of a customer's annual bill.\*
- It helps cover costs for emergency response, meter reading, maintenance of equipment and customer services.

For more **information** about **Enbridge Gas Distribution**, visit [www.enbridgegas.com](http://www.enbridgegas.com)

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

- The 'Transportation to Enbridge' charge makes up about 12 per cent of a customer's bill.\*
- This charge reflects the costs of transporting natural gas from Western Canada and the United States to Ontario.
- If a customer has a contract with a natural gas marketer, they have with their marketer will determine whether the 'Transportation to Enbridge' charge is shown with your marketer's charges or, alternatively, with your Enbridge Gas Distribution charges.

## The delivery charge is also approved by the OEB.

- The 'Delivery to You' charge makes up 25 per cent of a customer's bill.\*
- This charge reflects the costs to safely and reliably deliver natural gas to our customers.
- The 'Delivery to You' charge also includes a regulated rate of return on the capital that the Company 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 35 per cent of our 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.
- When the contract is up, customers can renew, go to another marketer or return to the utility for their gas supply.
- If you already have an existing gas supply contract with a marketer and are considering a new offer from another marketer, check your existing contract or contact your current marketer to find out what, if any, cancellation penalties apply. Most contracts do include a fee to terminate early.
- A list of licensed marketers is available from the Ontario Energy Board at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca).

\*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. Updated based on our annualized rates for October 1, 2009.