



**EB-2018-0305**

**Enbridge Gas Inc.**

**Application for approval to change rates and other charges for the sale, distribution, transmission and storage of gas for Enbridge Gas Distribution Inc. and Union Gas Limited effective January 1, 2019**

**INTERIM RATE ORDER**

**December 3, 2018**

On August 30, 2018, the Ontario Energy Board (OEB) approved the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited, and approved a multi-year incentive ratemaking mechanism (IRM) for the deferred rebasing period of 2019 to 2023.<sup>1</sup> The companies will amalgamate effective January 1, 2019 to become Enbridge Gas Inc. (Enbridge Gas).

On November 23, 2018, Enbridge Gas filed an application seeking approval of the proposed rates on an interim basis, effective January 1, 2019. The application requested approval to apply the price cap index (PCI), for base rate adjustments approved in the amalgamation application, and to pass through costs such as normalized average consumption adjustments, demand side management budget changes and capital pass-throughs.

The OEB's usual practice in setting interim rates is to adopt the current rates, as opposed to proposed rates. The OEB acknowledges Enbridge Gas' request that its proposed rates be made interim effective January 1, 2019, on the basis that the adjustments are largely mechanistic. There are numerous adjustments being proposed by the applicant, and the OEB has concluded that questions may be raised on how some of the adjustments will be applied. The OEB will therefore approve the current rates interim effective January 1, 2019.

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<sup>1</sup> EB-2017-0306 and EB-2017-0307

This determination of interim rates continues to be without prejudice to the OEB's decision on Enbridge Gas' application and should not be construed as predictive, in any way whatsoever, of the OEB's final determination of the effective dates for rates arising from the application.

**THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:**

1. Enbridge Gas Distribution Inc.'s and Union Gas Limited's current Schedule of Rates and Charges shall be made interim as of January 1, 2019 and until such time as a final rate order is issued by the OEB.

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**DATED** at Toronto, December 3, 2018

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary