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For Immediate Release

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OEB issues Partial Rates Decision for Enbridge Gas Distribution

Toronto – The Ontario Energy Board today approved a Partial Decision regarding the fiscal 2005 rates application by Enbridge Gas Distribution Inc.

In its Partial Decision, the Board approved a request by Enbridge to remove rate seasonality from all but one rate class. This seasonal difference reflected the higher cost of delivering gas in winter months, a difference of approximately 2.5 cents per cubic meter between winter and summer rates. This will bring Enbridge's rate structure into line with others in the industry who do not use seasonal delivery rates.

The Board also approved an increase to the fixed monthly customer charge from \$10 to \$11.25 and a decrease in the variable delivery charge effective October 1, 2004.

Enbridge's application requested the creation of a class action suit deferral account to record litigation costs, the plaintiff's costs and any judgment costs associated with its late payment policy. The Board approved the creation of the deferral account but limited the recorded costs to Enbridge's legal expenses, the costs of actuarial advice and the costs of analyzing historical billing records. Prior to disposal of any deferral account, the Board will determine whether the costs should, in fact, be recovered from ratepayers.

The Board's final Decision dealing with outstanding matters regarding rate design will be issued in due course.

The Ontario Energy Board is the regulator of Ontario's natural gas and electricity sectors.

For more information on the Board, please visit our web site at www.oeb.gov.on.ca or contact the Customer Service Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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