

## Enbridge Gas Inc.'s Natural Gas Bills are Decreasing

The Ontario Energy Board (OEB) has [approved](#) new interim natural gas prices for Enbridge Gas Inc. (Enbridge) to take effect April 1, 2025. Enbridge customers using a typical amount of natural gas can expect an average annual bill decrease of between \$191.40 and \$251.45, depending on where they are in the province.

*Table 1 – Total Annual Bill Impact*

Rate Zone and Typical Annual Usage for a Residential Customer	Enbridge Gas Distribution 2,400 m <sup>3</sup>	Union South 2,200 m <sup>3</sup>	Union North East 2,200 m <sup>3</sup>	Union North West 2,200 m <sup>3</sup>
<b>Total Annual Bill – Current</b>	\$1,279.87	\$1,143.08	\$1,437.10	\$1,142.92
<b>– Beginning April 1, 2025</b>	\$1,057.62	\$951.67	\$1,214.05	\$891.47
<b>Total Annual Bill Impact</b>	<b>-\$222.24</b>	<b>-\$191.40</b>	<b>-\$223.05</b>	<b>-\$251.45</b>
<b>– Percentage Change</b>	<b>-17.4%</b>	<b>-16.7%</b>	<b>-15.5%</b>	<b>-22.0%</b>

*\*Bill impacts will vary depending on how much natural gas individual customers use. Natural gas use is generally lowest during the summer months.*

### BACKGROUND

Several factors contribute to the changes in natural gas customers' bills for the period April 1 to June 30, 2025. They include:

#### Federal Carbon Charge

Effective April 1, 2025, the federal carbon charge has been eliminated. The annual bill impact for a typical residential customer resulting from the elimination of the federal carbon charge is a decrease of \$335.51 or \$366.00, depending on the rate zone. Customer bills will show federal carbon charges incurred for any natural gas usage up to and including March 31, 2025.

#### Federal Carbon Charge-related Deferral Accounts

In Enbridge's 2025 Federal Carbon Pricing proceeding<sup>1</sup>, the OEB approved temporary rate adjustments associated with the recovery of amounts in certain federal carbon charge-related deferral accounts that recorded costs from prior periods. These temporary rate adjustments, which will apply only to bills for April, will result in an increase that ranges between \$0.85 and \$2.13 for a typical residential customer, depending on the rate zone.

<sup>1</sup> [EB-2024-0251](#), February 28, 2025

## Facility Carbon Charge

While the federal carbon charge has been eliminated, Enbridge must still pay a facility carbon charge for emissions related to the natural gas used in its operations. The OEB approved recovery of this charge in Enbridge's 2025 Federal Carbon Pricing proceeding. The annual bill impact for the facility carbon charge is an increase that ranges between \$0.38 and \$0.41 for a typical residential customer, depending on the rate zone.

## Market Prices

The market price of natural gas is increasing due to low natural gas inventory levels and colder than normal weather in prior periods. The annual commodity bill impact is an increase that ranges between \$59.28 to \$141.27, depending on the rate zone.

## Other Rate Adjustments

Annual bill impacts include the implementation of rate adjustments approved by the OEB in Phase 2 of Enbridge's 2024 Rebasing proceeding.<sup>2</sup> The annual bill impact of these changes is an increase that ranges between \$1.14 and \$1.60 for a typical residential customer depending on the rate zone.

## ABOUT THE QRAM AND NATURAL GAS MARKET PRICES

The QRAM (quarterly rate adjustment mechanism) is the process by which the OEB adjusts the prices that natural gas customers pay for the natural gas they use and to reflect changes in natural gas market prices.

Natural gas is a commodity that is bought and sold on North American energy markets. At any given time, its price fluctuates based on a variety of factors including supply and demand, seasonal changes, levels of stored natural gas, and major weather events. Enbridge updates its forecast of market prices every three months and uses that forecast to seek the OEB's approval of its proposed changes to natural gas commodity prices. These proposed changes cover:

- **Future costs:** Based on a forecast of market prices for natural gas over the next 12-month period.
- **Past costs:** Based on the difference between what the utility previously forecast their customers would pay and what their customers actually paid. This kind of adjustment is needed because the gas prices charged to customers are based on forecasts, which are never 100% accurate. The adjustment for past costs can increase or lower the rate accordingly. For example, if a utility collected more from customers than it paid for gas in the past, the difference is credited back to customers through a lower rate. Likewise, if not enough was collected by the utility, the rate will be higher.

These price changes are approved to take effect on the 1<sup>st</sup> of the month in January, April, July and October each year.

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<sup>2</sup> [EB-2024-0111](#), November 29, 2024 - In Phase 1 of Enbridge's 2024 Rebasing proceeding, the OEB approved the establishment of interim 2024 rates to reflect that the proceeding is being conducted in phases and that certain interim 2024 rates may be further adjusted to incorporate the full impacts of determinations to be made in Phase 2 of the proceeding. In Phase 2, the OEB approved 2025 rates on an interim basis until the remaining Phase 2 issues and applicable Phase 3 issues are resolved. The OEB likewise approved Enbridge's April 2025 QRAM application on an interim basis.

The OEB does not allow natural gas distributors to earn a profit on the sale of gas, regardless of market fluctuations in price.

## **SUPPORT FOR CUSTOMERS**

Support programs are available for customers who need assistance with their bill payments. You need to meet certain criteria to qualify for these programs:

- **Low-income Energy Assistance Program (LEAP)**

This program provides a grant towards a customer's electricity and/or natural gas bill if they're behind on their bill payments and may face having their service shut off. It is for emergency situations. See [OEB.ca/BillHelp](https://www.oeb.ca/BillHelp)

- **Rules for low-income customers**

Electricity utilities, natural gas utilities and unit sub-metering providers follow customer service rules specific to low-income customers. These include waiving security deposits and allowing longer payment times under arrears payment plans. See [OEB.ca/BillHelp](https://www.oeb.ca/BillHelp)

## **ABOUT THE OEB**

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. It protects the interests of consumers and supports the delivery of clean, reliable and affordable energy for the people, farms and businesses of Ontario. Its goal is to deliver public value through prudent regulation and independent adjudicative decision-making which contributes to Ontario's economic, social and environmental development. You can learn more about the OEB at [oeb.ca](https://www.oeb.ca).

Independence in the hearing and determination of matters is a key element of the OEB's mandate, established through legislative structures, the [Memorandum of Understanding](#) between the Minister of Energy and Electrification and the Chair of the OEB, and by-laws that set out clear lines of communication between government and the OEB. Commissioner panels hear and determine matters independently, with legislative protections and other instruments to ensure decisions are free from interference by the CEO, the Board of Directors and government. This also includes the Chief Commissioner when not assigned to the specific case.

## **Contact Us**

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*Ce document est aussi disponible en français.*

*This Backgrounder was prepared by OEB staff to inform Ontario's energy consumers about the OEB's decision and is not for use in legal or regulatory proceedings. It is not part of the OEB's reasons for decision; those may be found in the Decision and Interim Rate Order issued March 26, 2025, which is the official OEB document.*