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For immediate release

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OEB Issues Decision With Reasons in the Enbridge 2006 Rates Case

Toronto – Today the Ontario Energy Board (OEB) issued a Decision with Reasons pertaining to Enbridge Gas Distribution Inc.'s (EGDI) application for approval of delivery rates for its 2006 fiscal year.

The Decision applies to 1.7 million residential, and non-residential Enbridge customers, in the GTA, the Niagara Region and Eastern Ontario including Ottawa.

In the Decision, the Board noted that Enbridge had not justified the proposed level of capital spending of \$458 million given that the annual average of capital spending for the five year period between 2001 and 2005 was \$250 million. However, the Board did find that an additional \$50 million in capital spending was appropriate for Enbridge to manage its requirements in relation to replacing steel and cast iron mains, the level of customer additions, and new gas-fired power generation. The Board therefore approved a capital budget of \$300 million.

Of the \$329 million in operating and maintenance costs requested (excluding demand side management plans), the Board approved \$298 million, citing particular concerns with Enbridge's customer care and corporate allocation costs.

Enbridge will now submit new rate schedules for the Board's approval. The rate schedules are expected to be implemented in the April 1, 2006 Quarterly Rate Adjustment (QRAM), but take effect January 1, 2006. New rates will appear on the delivery line of natural gas bills. These rates are estimated to have an overall impact on delivery rates of no more than 3% for a typical residential consumer. Consumers are also expected to see a one-time adjustment of under \$10.00 on their spring bill for rate changes not collected between January 1, 2006 and March 31, 2006.

For more details and other topics considered in the Decision, please refer to the Decision which can be found on the Board's web-site at www.oeb.gov.on.ca.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a healthy and efficient energy sector with informed consumers, and works towards this vision through regulatory processes that are effective, fair and transparent.

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

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