

DECISION

IN THE MATTER OF an application by Enbridge Gas New Brunswick for approval of a change in Distribution Rates.

July 22, 2009

In a decision dated May 26, 2009, the Energy and Utilities Board established the procedure for calculating the market-based delivery rates charged by Enbridge Gas New Brunswick.

Market-based rates are designed to provide typical customers with a savings based on estimates of what customers would spend on heating using an alternative fuel. As such, the rates depend on estimates of the future cost of heating oil, heavy oil, electricity as well as natural gas. The estimates also depend on assumptions about the typical use of customers.

The decision set out in detail the method of arriving at these assumptions and the associated calculation of rates. This was done to promote as much transparency and predictability as possible under the market-based rates method.

In decisions dated June 23, 2000, November 24, 2006 and April 9, 2008 - after full public hearings - the Board set the maximum rates that are currently in effect. Enbridge is allowed to adjust the rates below that maximum so that customers continue to achieve the target savings. Such adjustments must be accompanied by the appropriate future market information and calculations. Using a rate rider, Enbridge has lowered the rates below the maximum.

On July 15, 2009 Enbridge applied, to reinstate its rates effective August 1, 2009 as outlined below.

Rate Class	Approved Delivery Rate (\$/GJ)	Current Delivery Rate (\$/GJ)	Rate Increase (\$/GJ)	Proposed Delivery Rate (\$/GJ)
Small General Service Residential Oil	\$9.7456	8.9220	0.8236	\$9.7456
Small General Service Commercial	\$9.3538	8.7627	0.5911	\$9.3538
General Service	\$9.6570	8.3048	1.3522	\$9.6570
Contract General Service	\$8.6291	7.1239	1.5052	\$8.6291
Contract Large Volume OPS	\$6.4718	5.3429	1.1289	\$6.4718
Off Peak Service	\$7.2428	6.2286	1.0142	\$7.2428
Natural Gas Vehicle Fueling	\$9.6570	8.3048	1.3522	\$9.6570

In support of this change Enbridge filed prices of heating oil, electricity, crude oil, natural gas and exchange rates for August 2009 until July 2010. The data was collected for 21 days from June 11, 2009 to July 10, 2009, inclusive. The company also filed the associated calculations of the delivery rates.

The Board has reviewed the market information and calculations to be assured that they are correct and is satisfied that the rate reinstatements applied for are appropriate.

The Board approves the rate changes as applied for effective August 1, 2009.

Dated at the City of Saint John, New Brunswick this 22nd day of July 2009.

Raymond Gorman, Q.C., Chairman

Cyril W. Johnston, Vice-Chairman

Roger McKenzie, Member