



Community-Owned for over 100 Years

Thank you for your continued support of your natural gas utility, community-owned since 1903.

Kitchener Utilities is committed to providing the best value for our customers.

Kitchener Utilities saves customers approximately \$25 million

Since the beginning of the supply program in April 1998, Kitchener Utilities has been able to keep its rates at some of the lowest levels in Ontario. In fact, the supply program has saved Kitchener customers over \$25 million since 1998 compared to the previous supply arrangements. Kitchener Utilities will continue to work to reduce the impact of price volatility through management of its natural gas portfolio.

**Kitchener
Utilities**

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Doing our Best For You!

IMPORTANT: Natural Gas Rate Change

RATE CHANGE EFFECTIVE

May 1, 2007

The supply component of the natural gas rates has **increased** to 31.3 cents per cubic meter from 29.9 cents per cubic meter for Kitchener Utilities system gas customers*. The transportation rate has increased to 3.887 cents per cubic meter from 3.5290 cents per cubic meter for Kitchener Utilities system gas customers. The variable delivery rate has decreased to 6.101 cents per cubic meter from 6.5998 cents per cubic meter. The daily fixed charge has increased to \$0.53 per day from \$0.46 per day. All rate changes became effective May 1, 2007.

The combined impact of the supply, transportation, and delivery rate changes is expected to produce an overall increase of 4.8% or approximately \$58 per year for the average residential customer*.

+These rates may not be applicable to those customers supplied by Agents, Brokers, or Marketers (ABMs). If you are purchasing natural gas from an ABM and have questions about your rate, please call your broker directly –their phone number is listed on your utility bill.

* Calculations based on an annual consumption of 2,600 cubic metres of natural gas.

Kitchener Utilities supply program operates on a non-profit basis – the costs are passed on directly to customers.

Kitchener Utilities has surveyed their customers about natural gas rates. Customers have expressed a desire for rate stability. We work to deliver on customers' request by holding rates constant through the winter heating seasons. We will continue to pursue natural gas buying opportunities to help stabilize the supply rate. **Kitchener Utilities is committed to providing the best value possible and rate stability for our customers.**

Effective May 1, 2007 Kitchener Utilities has:

- 1) Increased the supply rate from 29.9 ¢/m³ to 31.3 ¢/m³
- 2) Decreased the variable delivery rate from 6.5998 ¢/m³ to 6.1010 ¢/m³
- 3) Increased the transportation rate from 3.5290 ¢/m³ to 3.8870 ¢/m³
- 4) Increased the daily fixed charge from 46 ¢/day to 53 ¢/day

The combined overall rate change is a 4.8% increase.

	Amount of Natural Gas used Per Month	Supply Rate ¢/m ³	Delivery Rate ¢/m ³	Transportation Rate ¢/m ³	Net Rate ¢/m ³	Daily Fixed Charge
Average Household	First 1,400 m ³	31.3000	6.1010	3.8870	41.2880	53¢/day
	Next 4,600 m ³	31.3000	5.0736	3.8870	40.2606	53¢/day
Small to Medium Businesses	Next 124,000 m ³	31.3000	4.0168	3.8870	39.2038	53¢/day
	Next 270,000 m ³	31.3000	3.4052	3.8870	38.5922	53¢/day
Large Business	Next 400,000 m ³	31.3000	3.2287	3.8870	38.4157	53¢/day
	Previous Rate	29.9000	6.5998	3.5290	40.0288	46¢/day

If you have a contract with an ABM or are a contract delivery customer, your rates may differ from those shown in this chart. Almost all residences use less than 1400 m³/month and all customers are invoiced the daily fixed delivery charge.

SUPPLY RATE:

The rate charged for natural gas commodity, fuel and administration.

DELIVERY RATE:

The rate charged for delivering natural gas from the Ontario border to your home.

TRANSPORTATION RATE:

The rate charged for bringing natural gas to the Ontario border.

DAILY FIXED CHARGE:

The rate charged for maintaining secure delivery of natural gas to your home.