



EPCOR Natural Gas Limited Partnership

Exhibit D - Application for a Fixed Monthly Charge for Rate 6 (IGPC)

EB-2018-0235

Rates Effective: October 1, 2018

Date Filed: July 27, 2018

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CERTIFICATION OF EVIDENCE

The undersigned, being EPCOR Ontario Utilities Inc.'s Senior Vice-President, Commercial Services, Steve Stanley hereby certifies for and on behalf of EPCOR Natural Gas Limited Partnership (ENGLP), as general partner of ENGLP that:

1. I am a senior officer of EPCOR Ontario Utilities Inc., which is the general partner of ENGLP;
2. This certificate is given pursuant to Chapter 1 of the Ontario Energy Board's (the "Board") *Filing Requirements for Electricity Distribution Rate Applications* (last revised on July 20, 2017); and
3. The evidence submitted in support of ENGLP's Application for a fixed monthly charge for Rate 6 (IGPC) effective October 1, 2018 filed with the Board is accurate, consistent and complete to the best of my knowledge.

DATED this 27th day of July, 2018.



Steve Stanley
Senior Vice-President, Commercial Services
EPCOR Ontario Utilities Inc.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act* 1998, S.O.1998, c.15, (Schedule B);

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership for an Order or Orders pursuant to section 36 of the Ontario Energy Board Act, 1998 approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of natural gas commencing October 1, 2018.

APPLICATION

EPCOR Natural Gas Limited Partnership (“ENGLP” or “the Applicant”) is a privately-owned utility that sells and distributes natural gas within Southern Ontario and charges Ontario Energy Board (the “Board” or the “OEB”)-authorized rates for the distribution services it provides on an interim basis (EB-2016-0236). The Applicant supplies natural gas to Aylmer and surrounding areas to approximately 8,800 customers with its service territory stretching from south of Highway 401 to the shores of Lake Erie, from Port Bruce to Clear Creek.

The last rebasing for Natural Resource Gas Limited (“NRG”), the previous owner of the distribution system, was for the term October 1, 2010 September 30, 2014 (EB-2010-0018). This five-year period was extended to September 30, 2016 through IRM Applications (EB-2014-0274 / EB-2015-0115). On August 9, 2016 NRG filed a rate application (EB-2016-0236) for the period October 1, 2016 to September 30, 2021. In Procedural Order 1 of that application the OEB approved NRG’s request that existing rates become interim effective October 1, 2016. On November 30, 2016 the OEB approved NRG’s request to place the rate application in abeyance pending the OEB’s decision on NRG’s MAAD application (EB-2016-0351) which requested approval to transfer its natural gas distribution system to ENGLP. The OEB approved the MAAD application on August 3, 2017 and the transaction closed on November 1, 2017. In the MAAD application, ENGLP indicated it would assume responsibility for NRG’s rate application held in

abeyance and would file an amended application six to nine months from the close of the transaction.

On April 24, 2018, ENGLP updated the Board on its proposed approach for finalizing the existing interim rates and filing a cost of service rate application that is in full compliance with the Filing Requirements for Natural Gas Rate Applications. ENGLP has filed separate applications to establish final rates for the period from October 1, 2016 to December 31, 2019 through a continuation of the Incentive Rate Mechanism applied in NRG's previous IRM Applications (EB-2014-0274 / EB-2015-0115) as approved by the Board. This application is for a modified Rate 6 tariff structure for this class to be effective for the 2019 rate year covering the period from October 1, 2018 to September 31, 2019 (the "Application").

Integrated Grain Processors Co-Operative ("IGPC") owns and operates an ethanol facility located in the Town of Aylmer and is ENGLP's largest customer. ENGLP supplies natural gas distribution services to IGPC on a dedicated high-pressure steel pipeline, the cost of which is directly and fully allocated to IGPC. IGPC is the only customer in the Rate 6 customer class.

IGPC pays rates and charges for the distribution of natural gas based on a structure set out in Rate Order EB-2010-0018, Rate 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility. The current rate structure includes both fixed and variable components:

- a. A Monthly Customer Charges (fixed cost - \$ per month)
- b. A Monthly Demand Charge (fixed cost - \$ per m³ of daily contracted firm demand)
- c. A Monthly Delivery Charge (variable cost - \$ per m³)

IGPC is expanding the ethanol facility and the volume of natural gas is projected to increase by approximately 29% beginning in November 2018 (i.e., during the 2019 rate year). The capacity of the existing high-pressure steel pipeline that serves only IGPC is adequate, but the regulator and metering station will need to be rebuilt to supply the increase in volume. The station rebuild is estimated to cost \$600,000 with construction beginning in August 2018 and completed by September 2018. ENGLP will request recovery of this capital investment as part of the cost of

service rate application for rates commencing January 1, 2020 to be filed with the Board by December 31, 2018, and as a result it is not addressed in this Application.

ENGLP's operating and maintenance costs incurred to distribute natural gas to IGPC in 2019 is expected to remain unchanged from 2018 costs notwithstanding the higher projected volume to be delivered. For greater clarity, other than increases generally driven by inflation, the cost to operate and maintain the existing high-pressure pipeline and the newly rebuilt regulator and metering station in the 2019 rate year is expected to be the same as for the existing regulator and meter station in the 2018 rate year.

Under the current fixed and variable cost structure for Rate 6, the increase in volume would increase ENGLP's revenue from IGPC by approximately \$621,000 for the 2019 rate year as shown in Appendix A, Column E. ENGLP recognizes that the recovery of this incremental revenue from IGPC would not be supported by an associated increase in expenses given that the forecasted 2019 rate year cost to distribute natural gas to IGPC is not expected to change from the cost in the 2018 rate year, other than general increases that are due to inflation.

The modified Rate 6 tariff structure being proposed in this Application would eliminate the recovery of any incremental revenue associated with increases in IGPC's volumes and would set the revenue for the 2019 rate year from IGPC equal to the revenue proposed in the 2018 IRM Application. The revenue would be recovered through twelve flat monthly fixed payments. Appendix A, Column F illustrates that the new structure for Rate 6 tariffs would result in zero cost increase in the 2019 rate year over the revenue proposed in the 2018 IRM Application for IGPC. As well, ENGLP is proposing disposal of the Rate Rider for 2016-2017 Unrecovered IRM Adjustment proposed in the 2018 IRM Application for Rate 6 through a fixed monthly charge since applying the volumetric charge would result in a significant over-recovery given the expected volume increase for the 2019 rate year. The Rate Rider for 2016-2017 Unrecovered IRM Adjustment for Rate 6 would be calculated as the \$30,580 change in revenue per the 2018 IRM Application divided equally over twelve months for a monthly fixed rate rider of \$2,548.33. Proposed Draft Rate Schedules effective October 1, 2018 reflecting the proposed rates have been provided in Appendix B.

Other rationale supporting the flat monthly fixed charge for Rate 6 include:

- it will provide IGPC with stable and predictable distribution costs (and is supported by IGPC),
- it provides ENGLP greater certainty of revenues, and
- it will have no impact on any other customer rate class.

Specific Approval Requested

ENGLP hereby applies to the Ontario Energy Board (the “Board”) pursuant to section 36 of the *Ontario Energy Board Act, 1998* (the “Act”) for an Order or Orders granting approval for a modified Rate 6 schedule wherein IGPC would pay a flat monthly fixed charge that would enable ENGLP to recover the Board approved revenue requirement for the 2019 rate year attributable to IGPC (Rate 6) in 12 monthly payments. The modified Rate 6 tariff would be comprised of the following two components:

1. a fixed monthly charge to permit recovery of the cost of distribution service for the 2019 rate year as determined by the Board for the 2018 IRM Application over 12 months, excluding the M9 charges of Union Gas Limited; and
2. the pass-through, without mark-up, of all charges billed to ENGLP by Union Gas Limited related to all gas supplied to the Applicant’s distribution system for IGPC. For greater certainty, this shall include all Union Gas Limited charges to ENGLP under the M9 Contract or Amended M9 Contract between the ENGLP and Union Gas Limited (Union Contract ID SA008936, as amended or replaced from time to time), and the Bundled-T Contract between the ENGLP and Union Gas Limited (Union Contract ID SA008937, as amended or replaced from time to time).

The Applicant requests that, pursuant to Section 32.01 of the Board’s Rules of Practice and Procedure, this proceeding be conducted by way of written hearing.

The Applicant requests that a copy of all documents filed with the Board in this proceeding be served on the Applicant.

DATED at Edmonton, Alberta, this 27th day of July, 2018.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

[Original signed by]

Bruce Brandell
Director, Commercial Services
EPCOR Utilities Inc.

APPLICATION CONTACT INFORMATION

The address of service for EPCOR Natural Gas Limited Partnership is:

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Appendix A – Rate 6 (IGPC) 2019 Rate Year Revenue Impact of Interim IRM and Flat Monthly Fixed Rates

2019 Revenue for Rate 6 (IGPC)								
Impact of 1) IGPC Volume Increase and 2) Flat Monthly Fixed Rates (Application)								
		Column	A	B	C	D	E	F
		Fiscal Year	2016	2017	2018	2019	2019	2019
Scenario							IGPC Vol.	Flat Monthly
							Increase	Fixed Rate
Rates			EB-2015-0115	ENGLP	ENGLP	ENGLP	ENGLP	ENGLP Fixed
			IRM	2016 IRM	2017 IRM	2018 IRM	2018 IRM	Rate App.
Service Charge	\$/month		150.00	150.00	150.00	150.00	150.00	na
Delivery - Firm	\$/m ³		3.8894	3.9556	4.0150	4.0472	4.0472	na
Demand - Firm	cents/ m ³ of CD/ month		18.8392	19.1595	19.4469	19.6024	19.6024	na
Fixed Rate Charge	\$/month		na	na	na	na	na	155,975
Volumes	Annual Volume	m ³				38,423,518	49,404,506	49,404,506
	Contract Demand	m ³ / day				133,845	208,800	208,800
	Note - estimated volumes for 2019							
Revenue	Customer Revenue	\$/ year				\$1,800	\$1,800	
	Delivery Revenue	\$/ year				\$1,555,062	\$1,999,480	
	Demand Revenue	\$/ year				\$314,843	\$491,159	
	Fixed Rate Revenue	\$/ year						\$1,871,704
	Total Annual Revenue	\$/ year				\$1,871,704	\$2,492,439	\$1,871,704
Revenue Impact of IGPC Volume Increase for 2019								
	Total Annual Revenue						\$2,492,439	\$1,871,704
	Less: ENGLP 2018 IRM for FY 2019 (no IGPC Vol. Increase - Column D)						(\$1,871,704)	(\$1,871,704)
	Impact of Fixed Monthly Rate for IGPC						\$620,734	\$0

Appendix B - Proposed Draft Rate Schedules

EPCOR NATURAL GAS LIMITED PARTNERSHIP
RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

All customers.

Rate

a)	Monthly Fixed Charge	\$13.50
	Rate Rider for 2018-2019 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.1125
	Rate Rider for 2016-2017 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.1125
b)	Delivery Charge	
	First 1,000 m ³ per month	17.2139 cents per m ³
	All over 1,000 m ³ per month	11.3519 cents per m ³
	Rate Rider for 2016-2017 Unrecovered IRM Adjustment – effective for 12 months ending September 30, 2019	0.3611 cents per m ³
c)	Cap and Trade Customer Related Charge	3.33402 cents per m ³
	Cap and Trade Facility Related Charge	0.03414 cents per m ³
d)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: October 1, 2018
Implementation: All bills rendered on or after October 1, 2018
EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 2 - Seasonal Service

Rate Availability

The entire service area of the company.

Eligibility

All customers.

Rate

For all gas consumed from:	April 1 through October 31:	November 1 through March 31:
a) Monthly Fixed Charge	\$15.00	\$15.00
Rate Rider for 2018-2019 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.4844	\$0.4844
Rate Rider for 2016-2017 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.4844	\$0.4844
b) Delivery Charge		
First 1,000 m ³ per month	17.8805 cents per m ³	22.5381 cents per m ³
Next 24,000 m ³ per month	9.4826 cents per m ³	15.6960 cents per m ³
All over 25,000 m ³ per month	6.1698 cents per m ³	15.2899 cents per m ³
Rate Rider for 2016-2017 Unrecovered IRM Adjustment – effective for 12 months ending September 30, 2019	0.2199 cents per m ³	0.2199 cents per m ³
c) Cap and Trade Customer Related Charge	3.33402 cents per m ³	3.33402 cents per m ³
Cap and Trade Facility Related Charge	0.03414 cents per m ³	0.03414 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 3 - Special Large Volume Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a combined daily contracted demand for firm and interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 113,000 m³.

Rate

1. Bills will be rendered monthly and shall be the total of:

a) A Monthly Customer Charge:

A Monthly Customer Charge of \$150.00 for firm or interruptible customers; or
A Monthly Customer Charge of \$175.00 for combined (firm and interruptible) customers.

Rate Rider for 2018-2019 Shared Tax Changes \$4.1219
– effective for 12 months ending September 30, 2019

Rate Rider for 2016-2017 Shared Tax Changes \$4.1219
– effective for 12 months ending September 30, 2019

b) A Monthly Demand Charge:

A Monthly Demand Charge of 29.0974 cents per m³ for each m³ of daily contracted firm demand.

c) A Monthly Delivery Charge:

(i) A Monthly Firm Delivery Charge for all firm volumes of 4.6460 cents per m³,

(ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 10.9612 cents per m³ and not to be less than 7.9412 per m³.

Rate Rider for 2016-2017 Unrecovered IRM Adjustment 0.1923 cents per m³
– effective for 12 months ending September 30, 2019

d) Cap and Trade Customer Related Charge 3.33402 cents per m³
Cap and Trade Facility Related Charge 0.03414 cents per m³

e) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

f) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then,

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 3 Firm Delivery Charge, the Cap and Trade Customer Related Charge and the Cap and Trade Facility Related Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge, the Cap and Trade Customer Related Charge and the Cap and Trade Facility Related Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be

applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. The Cap and Trade Customer Related Charge and the Cap and Trade Facility Related Charge will continue to apply. Gas purchased under this clause will not contribute to the minimum volume.

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

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EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

All customers whose operations, in the judgment of EPCOR NATURAL GAS LIMITED PARTNERSHIP, can readily accept interruption and restoration of gas service with 24 hours' notice.

Rate

For all gas consumed from:	April 1 through December 31:	January1 through March 31:
a) Monthly Fixed Charge	\$15.00	\$15.00
Rate Rider for 2018-2019 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.7012	\$0.7012
Rate Rider for 2016-2017 Shared Tax Changes – effective for 12 months ending September 30, 2019	\$0.7012	\$0.7012
b) Delivery Charge		
First 1,000 m ³ per month	16.9675 cents per m ³	21.6459 cents per m ³
All over 1,000 m ³ per month	10.5218 cents per m ³	16.9052 cents per m ³
Rate Rider for 2016-2017 Unrecovered IRM Adjustment – effective for 12 months ending September 30, 2019	0.2375 cents per m ³	0.2375 cents per m ³
c) Cap and Trade Customer Related Charge	3.33402 cents per m ³	3.33402 cents per m ³
Cap and Trade Facility Related Charge	0.03414 cents per m ³	0.03414 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery

of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

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EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a daily contracted demand for interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 50,000 m³.

Rate

I. Bills will be rendered monthly and shall be the total of:

- a) Monthly Fixed Charge \$150.00
- Rate Rider for 2018-2019 Shared Tax Changes \$2.5071
– effective for 12 months ending September 30, 2019
- Rate Rider for 2016-2017 Shared Tax Changes \$2.5071
– effective for 12 months ending September 30, 2019
- b) A Monthly Delivery Charge:
 - A Monthly Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 8.4612 cents per m³ and not to be less than 5.4612 per m³.
 - Rate Rider for 2016-2017 Unrecovered IRM Adjustment 0.1439 cents per m³
– effective for 12 months ending September 30, 2019
- c) Cap and Trade Customer Related Charge 3.33402 cents per m³
Cap and Trade Facility Related Charge 0.03414 cents per m³
- d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A
- e) Overrun Gas Charge:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge, the Cap and Trade Customer Related Charge and the Cap and Trade Facility Related Charge in effect at the time the overrun occurs plus any applicable Gas Supply Charge.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption and the pattern of annual use and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas of 50,000 m³. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 7.1995 cents per m³ for interruptible gas.

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: October 1, 2018
Implementation: All bills rendered on or after October 1, 2018
EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility

Rate Availability

Rate 6 is available to the Integrated Grain Processors Co-Operative, Aylmer Ethanol Production Facility only.

Eligibility

Integrated Grain Processors Co-Operative's ("IGPC") ethanol production facility located in the Town of Aylmer

Rate

1. Bills will be rendered monthly and shall be the total of:

- a) Fixed Monthly Charge of \$155,975.33 for firm services
 - Rate Rider for 2018-2019 Shared Tax Changes \$363.2601
– effective for 12 months ending September 30, 2019
 - Rate Rider for 2016-2017 Shared Tax Changes \$363.2601
– effective for 12 months ending September 30, 2019
 - Rate Rider for 2016-2017 Unrecovered IRM Adjustment \$2,548.33
– effective for 12 months ending September 30, 2019
- b) Cap and Trade Facility Related Charge 0.03414 cents per m³
- c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A
- d) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, IGPC should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to IGPC on such day, or if, on any day, IGPC fails to comply with any curtailment notice reducing IGPC's take of gas, then,

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 6 Firm Delivery Charge and Cap and Trade Facility Related Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year,

including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge and Cap and Trade Facility Related Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, IGPC shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which IGPC is willing to contract;
- b) The load factor of IGPC's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which IGPC is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, IGPC shall take delivery from the company, or in any event pay for it if available and not accepted by the IGPC, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the IGPC during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. The Cap and Trade Facility Related Charge will continue to apply. Gas purchased under this clause will not contribute to the minimum volume.

Bundled Direct Purchase Delivery

Where IGPC elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, IGPC or its agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to IGPC if it elects said Bundled T transportation service.

Unless otherwise authorized by EPCOR, IGPC, when delivering gas to EPCOR under direct purchase arrangements, must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be

increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

SCHEDULE A – Gas Supply Charges

Rate Availability

Entire service area of the company.

Eligibility

All customers served under Rates 1, 2, 3, 4, 5 and 6.

Rate

The Gas Supply Charge applicable to all sales customers shall be made up of the following charges:

PGCVA Reference Price	(EB-2018-0120 (Interim))	14.6120 cents per m ³
GPRA Recovery Rate	(EB-2018-0120 (Interim))	0.6355 cents per m ³
System Gas Fee	(EB-2010-0018)	<u>0.0363</u> cents per m ³
Total Gas Supply Charge		<u>15.2838</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE BT1 – Bundled Direct Purchase Contract Rate

Availability

Rate BT1 is available to all customers or their agent who enter into a Receipt Contract for delivery of gas to EPCOR. The availability of this option is subject to EPCOR obtaining a satisfactory agreement or arrangement with Union Gas and EPCOR's gas supplier for direct purchase volume and DCQ offsets.

Eligibility

All customers electing to purchase gas directly from a supplier other than EPCOR must enter into a Bundled T-Service Receipt Contract with EPCOR either directly or through their agent, for delivery of gas to EPCOR at a mutually acceptable delivery point.

Rate

For gas delivered to EPCOR at any point other than the Ontario Point of Delivery, EPCOR will charge a customer or their agent all approved tolls and charges incurred by EPCOR to transport the gas to the Ontario Point of Delivery.

Note:

Ontario Point of Delivery means Dawn or Parkway on the Union Gas System as agreed to by EPCOR and EPCOR's customer or their agent.

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

EB-2018-0235

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Transmission Service

Availability

Transmission Service charges shall be applied to Natural Resource Gas Corp.

Eligibility

Only Natural Resource Gas Corp. shall be charged the Transmission Service Rate. Fees and Charges will be applied only in those months that Natural Resource Gas Corp. delivers gas to a delivery point on EPCOR's system.

Rate

Administrative Charge	\$250/month
Transportation Rate	\$0.95/mcf
Cap and Trade Facility Related Charge	0.03414 cents per m ³

Effective: October 1, 2018

Implementation: All bills rendered on or after October 1, 2018

EB-2018-0235