



# **Ontario Energy Board Commission de l'énergie de l'Ontario**

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## **DECISION AND INTERIM RATE ORDER EB-2019-0162**

### **EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**Application for quarterly rate adjustment mechanism commencing July 1, 2019**

**By Delegation, before: Pascale Duguay**

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**June 20, 2019**

## INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (ENGLP) filed an application on June 12, 2019 with the Ontario Energy Board (OEB) for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of natural gas commencing July 1, 2019 (the application).

The application was made pursuant to section 36(1) of the *Ontario Energy Board Act, 1998* and in accordance with the Quarterly Rate Adjustment Mechanism (QRAM) established by the OEB for dealing with changes in gas costs.<sup>1</sup>

ENGLP provided written evidence in support of the proposed changes outlined in the application. ENGLP provided the application and pre-filed evidence to all parties of record in ENGLP's last rates proceeding.<sup>2</sup> No comments were filed.

## OEB FINDINGS

The OEB approves the application. ENGLP's rates will continue to be interim until such time that the OEB approves ENGLP's use of the Dawn Reference Price for determining the cost of gas purchases in excess of 1.0 million cubic meters from NRG Corporation (contract recently transferred to 2661031 Ontario Inc.).

ENGLP's rates will be adjusted effective July 1, 2019 to reflect a decrease in forecast natural gas prices and prospective recovery of the projected twelve-month balances of the gas supply deferral accounts for the period ending June 2020. The reference price will also be adjusted to reflect the decrease in forecast natural gas prices.

The QRAM is intended to strike a balance between ensuring that consumers are receiving appropriate price signals which reflect natural gas market prices, and protecting the interest of consumers that purchase their gas from the distributor by reducing, to some extent, the volatility in the price of natural gas. Natural gas commodity prices charged by ENGLP are based on:

- a market price forecast for the commodity over the next 12 months
- a true-up between actual and forecast commodity prices for prior periods as actual costs are passed on to customers without a mark-up. By design, the

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<sup>1</sup> EB-2008-0106

<sup>2</sup> EB-2018-0336

QRAM includes smoothing of price volatility by spreading this difference over a 12-month period.

The application also includes an increase in the monthly customer charge of one dollar for each rate class to reflect the implementation of Bill 32 (Access to Natural Gas Act, 2018) and Ontario Regulation 24/19.

The overall bill impact of this application for a typical residential customer who uses 2,009 cubic metres of natural gas per year and who purchases its gas supply from ENGLP is an increase of approximately \$1 on an annual basis.

### IT IS ORDERED THAT:

1. The rates approved for ENGLP as part of the decision and interim rate order EB2019-0102, dated March 25, 2019, shall be superseded by the rates as provided in Appendix "A" and attached to this Decision and Interim Rate Order.
2. The rates shall be effective July 1, 2019 and shall be implemented in ENGLP's first billing cycle commencing in July 2019.
3. The reference price for use in determining the amounts to be recorded in the Purchase Gas Commodity Variance Account (Account No.179-27) shall decrease by \$0.008077 per m<sup>3</sup> from the previous OEB approved level of \$0.174859 per m<sup>3</sup> to **\$0.166782** per m<sup>3</sup> as shown in Schedule "A" of Appendix "A" attached to this Decision and Interim Rate Order.
4. The balance in the Gas Purchase Rebalancing Account shall be prospectively cleared. The resulting gas supply charge will decrease from the previous OEB approved level of \$0.174366 per m<sup>3</sup> to **\$0.168882** per m<sup>3</sup> as noted in Schedule "A" of Appendix "A" attached to this Decision and Interim Rate Order.
5. The appropriate form of customer notice as set out in Appendix "C" shall accompany each customer's first bill or invoice following the implementation of this Decision and Interim Rate Order.

6. ENGLP shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

**ISSUED** at Toronto, June 20, 2019

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**APPENDIX "A" TO  
DECISION AND INTERIM RATE ORDER  
OEB FILE NO. EB-2019-0162  
DATED: June 20, 2019**

## 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 <sup>(1)</sup>	\$16.50
	Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.1084
	Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.0271
	Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50
	Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$1.8140
b)	Delivery Charge	
	First 1,000 m <sup>3</sup> per month	15.9486 cents per m <sup>3</sup>
	All over 1,000 m <sup>3</sup> per month	11.3519 cents per m <sup>3</sup>
	Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.2221 cents per m <sup>3</sup>
	Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m <sup>3</sup>
c)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

<sup>(1)</sup> Aggregated within Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

#### 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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

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## 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 <sup>(1)</sup>	\$18.25	\$18.25
Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.6908	\$0.6908
Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.1727	\$0.1727
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50	\$1.50
Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$11.5587	\$11.5587
b) Delivery Charge		
First 1,000 m <sup>3</sup> per month	17.2765 cents per m <sup>3</sup>	21.7767 cents per m <sup>3</sup>
Next 24,000 m <sup>3</sup> per month	9.4826 cents per m <sup>3</sup>	15.6960 cents per m <sup>3</sup>
All over 25,000 m <sup>3</sup> per month	6.1698 cents per m <sup>3</sup>	15.2899 cents per m <sup>3</sup>
Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.1223 cents per m <sup>3</sup>	0.1223 cents per m <sup>3</sup>
Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m <sup>3</sup>	(1.7172) cents per m <sup>3</sup>
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

<sup>(1)</sup> Aggregated within Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

#### 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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

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## 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 m<sup>3</sup>; and c) a qualifying annual volume of at least 113,000 m<sup>3</sup>.

#### Rate

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

- a) A Monthly Customer Charge<sup>(1)</sup>:

A Monthly Customer Charge of \$173.50 for firm or interruptible customers; or  
A Monthly Customer Charge of \$202.25 for combined (firm and interruptible) customers.

Rate Rider for 2019 Shared Tax Changes \$5.6243  
– effective for 12 months ending December 31, 2019

Rate Rider for Oct-Dec 2018 Shared Tax Changes \$1.4061  
– effective for 12 months ending December 31, 2019

Rate Rider for REDA Recovery \$1.50  
– effective for 12 months ending December 31, 2019

Rate Rider for 2019 Rate Base Rebalancing \$94.1034  
– effective for 12 months ending December 31, 2019

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 29.0974 cents per m<sup>3</sup> for each m<sup>3</sup> of daily contracted firm demand.

- c) A Monthly Delivery Charge:

(i) A Monthly Firm Delivery Charge for all firm volumes of 4.3127 cents per m<sup>3</sup>,

(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 m<sup>3</sup> and not to be less than 7.9412 per m<sup>3</sup>.

Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment 0.0920 cents per m<sup>3</sup> –  
effective for 12 months ending December 31, 2019

Rate Rider for PGTVA disposal (1.7172) cents per m<sup>3</sup>  
– effective for 12 months ending December 31, 2019

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

- e) 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 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 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 m<sup>3</sup> for firm gas and 5.4412 cents per m<sup>3</sup> 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 m<sup>3</sup> and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

<sup>(1)</sup> Aggregated within Monthly Customer Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

### **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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

**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:	January 1 through March 31:
a) Monthly Fixed Charge <sup>(1)</sup>	\$18.25	\$18.25
Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.8522	\$0.8522
Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.2131	\$0.2131
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50	\$1.50
Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$14.2590	\$14.2590
b) Delivery Charge		
First 1,000 m <sup>3</sup> per month	17.1487 cents per m <sup>3</sup>	21.8770 cents per m <sup>3</sup>
All over 1,000 m <sup>3</sup> per month	10.5218 cents per m <sup>3</sup>	16.9052 cents per m <sup>3</sup>
Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.1633 cents per m <sup>3</sup>	0.1633 cents per m <sup>3</sup>
Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m <sup>3</sup>	(1.7172) cents per m <sup>3</sup>
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

<sup>(1)</sup> Aggregated within Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

**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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

## 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 m<sup>3</sup>; and
- c) a qualifying annual volume of at least 50,000 m<sup>3</sup>.

#### Rate

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

- |     |  |                                   |
|-----|--|-----------------------------------|
| a)  | Monthly Fixed Charge <sup>(1)</sup>  | \$173.50                          |
|     | Rate Rider for 2019 Shared Tax Changes<br>– effective for 12 months ending December 31, 2019   | \$2.4643                          |
|     | Rate Rider for Oct-Dec 2018 Shared Tax Changes<br>– effective for 12 months ending December 31, 2019   | \$0.6161                          |
|     | Rate Rider for REDA Recovery<br>– effective for 12 months ending December 31, 2019   | \$1.50                            |
|     | Rate Rider for 2019 Rate Base Rebalancing<br>– effective for 12 months ending December 31, 2019  | \$41.2315                         |
| 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 m <sup>3</sup> and not to be less than 5.4612 per m <sup>3</sup> .  |                                   |
|     | Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment<br>effective for 12 months ending December 31, 2019   | 0.0865 cents per m <sup>3</sup> – |
|     | Rate Rider for PGTVA disposal<br>– effective for 12 months ending December 31, 2019  | (1.7172) cents per m <sup>3</sup> |
| c)  | Gas Supply Charge and System Gas Refund Rate Rider (if applicable)   | Schedule A                        |
| d)  | 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 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 m<sup>3</sup>. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 7.3503 cents per m<sup>3</sup> for interruptible gas.

<sup>(1)</sup> Aggregated within Monthly Fixed Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

#### **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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162



## 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<sup>(1)</sup> of \$93,491.62 for firm services

Rate Rider for 2019 Shared Tax Changes	\$375.0371
– effective for 12 months ending December 31, 2019	

Rate Rider for Oct-Dec 2018 Shared Tax Changes	\$93.7593
– effective for 12 months ending December 31, 2019	

Rate Rider for REDA Recovery	\$0.04
– effective for 12 months ending December 31, 2019	

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

c) 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 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 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.

<sup>(1)</sup> Aggregated within Fixed Monthly Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

**Purchased Gas Transportation Charges**

In addition to the Rates and Charges outlined above, IGPC is responsible for all costs, charges and fees incurred by EPCOR related to gas supplied by Enbridge Gas Inc. to EPCOR's system for IGPC. All actual charges billed to ENGLP by Enbridge Gas Inc. under former Union Gas contract ID SA008936 and SA008937, as amended or replaced from time to time, shall be billed to IGPC by EPCOR when and as billed to EPCOR by Enbridge Gas Inc.

**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: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

**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-2019-0162(Interim))	16.6782 cents per m <sup>3</sup>
GPRA Recovery Rate	(EB-2019-0162(Interim))	0.1737 cents per m <sup>3</sup>
System Gas Fee	(EB-2010-0018)	<u>0.0363</u> cents per m <sup>3</sup> Total Gas Supply
Charge		<u>16.8882</u> cents per m <sup>3</sup>

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

**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 Enbridge Gas Inc. 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 TService 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 Enbridge Gas Inc.(Union South) System as agreed to by EPCOR and EPCOR's customer or their agent.

Effective: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

**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

Effective: July 1, 2019

Implementation: All bills rendered on or after July 1, 2019

EB-2019-0162

**APPENDIX "B" TO  
DECISION AND INTERIM RATE ORDER**

**OEB FILE NO. EB-2019-0162**

**DATED: June 20, 2019**

**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**Accounting Entries for the Purchased Gas Commodity Variance Account**

Note: Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

To record monthly as a debit (credit) in Deferral Account No. 179-27 (PGCVA) the decrease (increase) to reflect the projected changes in gas costs and prospective recovery of the balances of the gas supply deferral accounts approved by the Board for rate making purposes.

Debit/Credit Account No. 179-27 Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit Account No. 623 Cost of Gas

To record as a debit (credit) in Deferral Account No. 179-28, interest on the balance in Deferral Account

Debit/Credit Account No. 179-28 Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

**APPENDIX "C" TO  
DECISION AND INTERIM RATE ORDER**

**OEB FILE NO. EB-2019-0162**

**DATED: June 20, 2019**

**IMPORTANT INFORMATION ABOUT YOUR GAS BILL**

Gas Commodity:

On all bills rendered by EPCOR NATURAL GAS LIMITED PARTNERSHIP on or after July 1, 2019, the price we charge for the gas commodity and transportation portion of your bill will be decreasing by \$0.005484 per cubic meter to \$0.168882 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects that it will be paying to its gas suppliers through to the end of June, 2020. On your gas bill this cost is on the line entitled "Gas Commodity".

As a regulated utility, EPCOR is permitted to recover what it pays for the purchase of gas plus any costs reasonably associated with this purchase but with no mark up or 'profit'. The price the utility charges you is based on the forecasted gas and transportation costs to EPCOR, which are periodically reviewed by the OEB and reconciled with actual costs. The gas commodity portion gets adjusted regularly throughout the year as the price of the gas commodity changes.

How will the price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 2,009 cubic meters of gas annually, this price change will cause your annual heating costs to decrease by approximately \$11 per year. For customers who have arranged to have their gas supplied by a gas marketer/broker, the price may or may not change depending on the terms of the contract the customer has with the gas marketer/broker.

In addition to the decrease in the gas commodity and transportation charge, there is a one dollar increase in the monthly customer charge. This increase is related to Bill 32 (Access to Natural Gas Act, 2018) and Ontario Regulation 24/19.

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If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

We would like to thank you for choosing to make natural gas your energy of choice.