



Ontario | Commission
Energy | de l'énergie
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DECISION AND ORDER

EB-2021-0215

EPCOR NATURAL GAS LIMITED PARTNERSHIP (AYLMER)

Application for Rates to be Effective January 1, 2022

BEFORE: Emad Elsayed
Presiding Commissioner

David Sword
Commissioner

December 2, 2021

1 INTRODUCTION AND SUMMARY

EPCOR Natural Gas Limited Partnership (EPCOR) applied to the Ontario Energy Board (OEB) for changes to its natural gas distribution rates effective January 1, 2022 (Application).

In the Application, EPCOR requested the following approvals:

- I. To adjust distribution rates for natural gas in the Aylmer service area effective January 1, 2022 in accordance with a previous OEB-approved decision (Settlement Decision)¹
- II. To dispose of the balances of certain deferral and variance accounts

The OEB finds it appropriate to adjust, effective January 1, 2022, distribution rates in accordance with the Settlement Decision and for EPCOR to dispose of the balances in certain deferral and variance accounts.

The bill impact for a residential customer who uses 2,100 cubic metres of natural gas per year is an increase of approximately \$27.94 on an annual basis.

¹ EB-2018-0336, Decision and Interim Rate Order, July 4, 2019

2 THE PROCESS

EPCOR filed the Application on September 14, 2021 under section 36(1) of the *Ontario Energy Board Act, 1998*. On September 20, 2021, the OEB issued a Notice of Hearing. The intervention period ended on October 18, 2021. No persons applied for intervenor status.

Procedural Order No. 1 was issued on October 22, 2021. OEB staff filed written interrogatories on October 29, 2021. EPCOR filed responses to interrogatories on November 10, 2021.

OEB staff filed a written submission on November 17, 2021. EPCOR filed its reply submission on November 19, 2021.

3 DECISION

3.1 Price Cap Adjustment

EPCOR sought to increase its rates, effective January 1, 2022, based on a mechanistic rate adjustment using the price cap adjustment (PCA) previously approved in the Settlement Decision. The PCA is calculated using an inflation factor less a productivity factor and a stretch factor. The productivity and stretch components, at 0.00% and 0.40% respectively, were approved in the Settlement Decision.

The components of the PCA applicable to EPCOR for 2022 rates are set out in the table below. Inserting these components into the formula results in a 2.90% increase to EPCOR's forecasted revenue: **2.90% = 3.30% - (0.00% + 0.40%)**.

Table 1: Price Cap IR Adjustment Formula

Components	Amount
Inflation Factor ²	3.30%
Productivity	0.00%
Stretch	0.40%

EPCOR requested that the distribution rates for natural gas in the Aylmer service area be adjusted according to the approved Settlement Decision:

- I. Increasing the monthly fixed charge for Rate Class 1 by \$1.00 and correspondingly adjust the volumetric charges for Rate Class 1 to achieve a total projected revenue for 2022 for Rate Class 1 equivalent to the prior year OEB-approved revenue for Rate Class 1 increased by the approved PCA; and,
- II. Increasing the monthly fixed charges and volumetric charges for all other rate classes using the approved PCA.

The inflation factor of 3.3% used by EPCOR in the Application was the subject of a generic proceeding initiated by the OEB. On November 18, 2021, the OEB determined that an inflation factor of 3.3% for 2022 is appropriate for electricity distributors and EPCOR.³ Therefore, no change to the inflation factor of 3.3% used in the Application is required.

² For the 2022 Inflation Factor, see Ontario Energy Board 2022 Electricity Distribution Rate applications webpage – November 18, 2021

³ EB-2021-0212, 2022 IPI Generic Hearing

In its submission, OEB staff raised no concerns with EPCOR's request to adjust rates for 2022 as EPCOR's 2020 return on equity (ROE) did not exceed the ROE dead band. OEB staff also submitted that the proposed rate changes were calculated in accordance with the Settlement Decision.

Findings

The distribution rate adjustments EPCOR applied for were based on an approved price cap adjustment mechanism that takes into consideration an inflation factor of 3.3% and a stretch factor of 0.4%, and also considers EPCOR's overall ROE, which in the previous year was 356 basis points below the approved ROE of 8.98%.

The OEB finds the EPCOR's distribution rate request is in keeping with the Settlement Decision's price cap provisions and is, therefore, approved.

3.2 Deferral and Variance Accounts

EPCOR sought approval to dispose of the 2020 year-end balances in certain deferral and variance accounts with interest up to December 31, 2021 (i.e. up to the time of implementation of the associated rate riders).

The total amount sought for disposition from EPCOR Aylmer customers is a debit of \$352,527 (including interest to December 31, 2021). OEB staff had no concerns with the balances being sought for disposition for each of the accounts. The balances in the deferral and variance accounts are summarized below.

EPCOR Deferral and Variance Account Balances		
<u>Account Acronym</u>	<u>Account Name</u>	<u>Balance with interest to December 31, 2021</u>
REDA	Regulatory Expense Deferral Account	\$38,804
PGTVA	Purchased Gas Transportation Variance Account	\$91,376
LDMDA	Loss on Disposal of Meters Deferral Account	\$154,518
SICDA	2016/2017 System Integrity Capital Deferral Account	\$67,829
	Total Deferral Account Balances	\$352,527

EPCOR proposed to allocate the balance of the REDA to the various customer rate classes on the basis of average connection count and to recover the allocated costs over a twelve-month fixed rate rider.

For the PGTVA, EPCOR proposed to allocate the balance to the various customer rate classes on a volumetric basis and to recover the costs from the customers in Rate Classes 1-5 through the implementation of a twelve-month volumetric rate rider.

With respect to LDMDA, EPCOR proposed to allocate the balance to Rate 1 customers on the basis of average connection account and to recover the allocated cost over a twelve-month fixed rate rider. The balance in the account was allocated to only Rate 1 customers as it only affects residential meters. EPCOR noted that it does not anticipate recording any additional amounts in the LDMDA and will request closure of the account in its 2023 Rates filing.

EPCOR originally proposed to allocate the balance in the SICDA to Rates Classes 1-5 on a volumetric basis and to recover the costs from customers through the implementation of a twelve-month volumetric rate rider. In its reply submission, in response to OEB staff submission, EPCOR proposed to use the same allocation methodology as distribution mains instead of a volumetric allocation.

OEB staff submitted that the allocation and disposition methodologies for the REDA and PGTVA are consistent with the methodologies previously approved in the Settlement Decision and the decision in EPCOR's 2021 Rate Proceeding. OEB staff submitted that the proposed allocation and disposition methodologies for the LDMDA are consistent with the methodologies approved in the Settlement Decision. With respect to the SICDA, OEB staff requested that EPCOR confirm in its reply submission that the proposed allocation methodology is the same as if the assets were included in rate base at the outset of the rate term.

Findings

EPCOR had certain deferral and variance accounts established to capture a variety of costs and was seeking to dispose of these during this rate hearing. Those accounts were considered as outlined below.

Regulatory Expense Deferral Account:

The regulatory expense deferral Account records the costs of EPCOR participating in generic hearings and other regulatory proceedings that are important to its operations.

EPCOR's request to dispose of a \$38,804, including interest, in this account through various rate riders is approved.

The OEB finds that the costs and activities EPCOR pursued that are associated with this account are reasonable and in keeping with the Settlement Decision and the decision in EPCOR's 2021 Rates Proceeding.

Purchased Gas Transportation Variance Account:

There is a cost to transport natural gas into the EPCOR system from the Enbridge Gas system. These costs are forecasted, and then trued up to ensure the ratepayers pay for the actual cost of transportation and that EPCOR does not incur a profit nor a loss on these costs.

EPCOR's request to dispose of \$91,376 in transportation debt costs, including interest, through the various rate riders is approved.

The OEB finds these costs to be appropriate and the methodology for applying the costs to the various rate structures to be in keeping with the Settlement Decision and the decision in EPCOR's 2021 Rate Proceeding.

Loss on Disposal of Meters Deferral Account:

This deferral account was established to record the loss on the disposal of residential meters resulting from the change in useful life in 2020 along with a change in depreciation rates for these meters.

This resulted in the recorded deferral account a debit of \$154,518 including interest as of December 31, 2021.

The OEB finds the methodology for the disposal of the account and its proposed rate allocation to be consistent with the methodologies approved in the Settlement Decision and is, therefore, approved.

System Integrity Capital Deferral Account:

The purpose of this deferral account is to record the revenue requirement associated with the 2020 net book value of four capital projects in 2016 and 2017 that addressed specified system integrity issues, namely the Bradley Station project, Bradley to Wilson pipeline project, Putnam to Colloden pipeline project and the Springwater Road pipeline project.

The OEB had approved all of these projects at various times with the total amount recorded in the account effective December 31, 2021, to be a debit of \$67,829.

OEB staff had no concerns with the proposed disposition of this account as applied for originally, however requested that EPCOR provide further support for the allocation methodology in its reply submission.

In its reply submission, EPCOR provided a revised and more precise allocation methodology for the disposition of this account. The OEB finds the revised methodology to be reasonable and the disposition of the account is approved.

4 IMPLEMENTATION

EPCOR requested the issuance of a Decision and Order by December 1, 2021 to ensure the implementation of the 2022 rates in advance of the effective date of January 1, 2022.

Findings

The OEB finds that the implementation of the proposed rate adjustments and disposition of deferral and variance accounts for 2022 will result in reasonable outcomes for both EPCOR and its customers.

This rate application, along with a companion rate application by EPCOR for its South Bruce distribution area⁴ were reviewed by OEB staff and an OEB panel.

No intervenors applied for standing for either application.

The OEB notes the regulatory efficiencies yielded by EPCOR having submitted the two separate applications in close proximity to one another.

However, EPCOR is reminded that in order to continue to achieve timely OEB decisions to ensure proper implementation dates, its rate applications must be filed earlier and be consistent with well-established OEB performance standard for processing IRM applications, which has a total cycle time of 165 calendar days from the issuance of the completeness letter to a final decision.

⁴ EB-2021-0216

5 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Rate Schedules set out in Schedule A are approved effective January 1, 2022.
2. EPCOR Natural Gas Limited Partnership shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto **December 2, 2021**

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

SCHEDULE A
DECISION AND ORDER
EPCOR NATURAL GAS LIMITED PARTNERSHIP
EB-2021-0215
DECEMBER 2, 2021

EPCOR Natural Gas Limited Partnership

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

A customer that requires delivery of natural gas to any residential building served through one meter and containing no more than three dwelling units.

Rate

a)	Monthly Fixed Charge ⁽¹⁾	\$19.50
	Rate Rider for REDA Recovery (2021) – effective for 3 months ending March 31, 2022	\$0.78
	Rate Rider for REDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33
	Rate Rider for LDMDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$1.35
b)	Delivery Charge	
	First 1,000 m ³ per month	13.7196 cents per m ³
	All over 1,000 m ³ per month	11.0264 cents per m ³
	Rate Rider for PGTVA recovery (2021) – effective for 3 months ending March 31, 2022	0.3113 cents per m ³
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³
	Rate Rider for ADVADA recovery (2021) – effective for 3 months ending March 31, 2022	0.1508 cents per m ³
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2683 cents per m ³
c)	Carbon Charges	
	Federal Carbon Charge (if applicable)	7.8300 cents per m ³
	Facility Carbon Charge	0.0052 cents per m ³
	Rate Rider for FCCCVA recovery (if applicable)	0.9416 cents per m ³

– effective for 3 months ending March 31, 2022

Rate Rider for FCCFVA recovery (if applicable) \$0.01 per month
– effective for 3 months ending March 31, 2022

Rate Rider for GGEADA recovery \$0.78 per month
– effective for 3 months ending March 31, 2022

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

⁽¹⁾ 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: January 1, 2022

Implementation: All bills rendered on or after January 1,
2022 EB-2021-0215

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 - Oct 31	Nov 1 - Mar 31
a) Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA Recovery (2021) – effective for 3 months ending March 31, 2022	\$0.78	\$0.78
Rate Rider for REDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33	\$0.33
b) Delivery Charge		
First 1,000 m ³ per month	17.6387 cents per m ³	22.2332 cents per m ³
Next 24,000 m ³ per month	9.1630 cents per m ³	15.1670 cents per m ³
All over 25,000 m ³ per month	7.1434 cents per m ³	16.0935 cents per m ³
Rate Rider for PGTVA Recovery (2021) – effective for 3 months ending March 31, 2022	0.3113 cents per m ³	0.3113 cents per m ³
Rate Rider for PGTVA Recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³	0.3195 cents per m ³
Rate Rider for ADVADA recovery (2021) – effective for 3 months ending March 31, 2022	0.1484 cents per m ³	0.1484 cents per m ³
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2343 cents per m ³	0.2343 cents per m ³
c) Carbon Charges		
Federal Carbon Charge (if applicable)	7.8300 cents per m ³	7.8300 cents per m ³
Facility Carbon Charge	0.0052 cents per m ³	0.0052 cents per m ³
Rate Rider for FCCCVA recovery (if applicable) – effective for 3 months ending March 31, 2022	0.9416 cents per m ³	0.9416 cents per m ³
Rate Rider for FCCFVA recovery	\$0.01 per month	\$0.01 per month

– effective for 3 months ending March 31, 2022

Rate Rider for GGEADA recovery	\$0.78 per month	\$0.78 per month
– effective for 3 months ending March 31, 2022		

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

⁽¹⁾ 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: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

EPCOR Natural Gas Limited Partnership

RATE 3 - Special Large Volume Contract Rate

Rate Availability

The 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⁽¹⁾:

A Monthly Customer Charge of \$201.00 for firm or interruptible customers; or
A Monthly Customer Charge of \$223.00 for combined (firm and interruptible) customers.

Rate Rider for REDA Recovery (2021) \$0.78
– effective for 3 months ending March 31, 2022

Rate Rider for REDA Recovery (2022) \$0.33
– effective for 12 months ending December 31, 2022

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 30.6443 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 4.0445 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 11.0113 cents per m³ and not to be less than 7.9775 per m³.

Rate Rider for PGTVA recovery (2021) 0.3113 cents per m³
– effective for 3 months ending March 31, 2022

Rate Rider for PGTVA recovery (2022) 0.3195 cents per m³
– effective for 12 months ending December 31, 2022

Rate Rider for ADVADA recovery (2021) 0.1508 cents per m³
– effective for 3 months ending March 31, 2022

Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0179 cents per m ³
e) Carbon Charges	
Federal Carbon Charge (if applicable)	7.8300 cents per m ³
Facility Carbon Charge	0.0052 cents per m ³
Rate Rider for FCCCV A recovery (if applicable) – effective for 3 months ending March 31, 2022	0.9416 cents per m ³
Rate Rider for FCCFV A recovery (if applicable) – effective for 3 months ending March 31, 2022	\$0.01 per month
Rate Rider for GGEADA recovery – effective for 3 months ending March 31, 2022	\$0.78 per month
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 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. Gas purchased under this clause will not contribute to the minimum volume.

⁽¹⁾ 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: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

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 - Dec 31	Jan 1 - Mar 31
Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA Recovery (2021) – effective for 3 months ending March 31, 2022	\$0.78	\$0.78
Rate Rider for REDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33	\$0.33
a) Delivery Charge		
First 1,000 m ³ per month	19.5025 cents per m ³	24.8799 cents per m ³
All over 1,000 m ³ per month	11.9660 cents per m ³	19.2257 cents per m ³
Rate Rider for PGTVA Recovery (2021) – effective for 3 months ending March 31, 2022	0.3113 cents per m ³	0.3113 cents per m ³
Rate Rider for PGTVA Recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³	0.3195 cents per m ³
Rate Rider for ADVADA recovery (2021) – effective for 3 months ending March 31, 2022	0.1484 cents per m ³	0.1484 cents per m ³
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0814 cents per m ³	0.0814 cents per m ³
b) Carbon Charges		
Federal Carbon Charge (if applicable)	7.8300 cents per m ³	7.8300 cents per m ³
Facility Carbon Charge	0.0052 cents per m ³	0.0052 cents per m ³
Rate Rider for FCCCVA recovery (if applicable) – effective for 3 months ending March 31, 2022	0.9416 cents per m ³	0.9416 cents per m ³
Rate Rider for FCCFVA recovery – effective for 3 months ending March 31, 2022	\$0.01 per month	\$0.01 per month

Rate Rider for GGEADA recovery – effective for 3 months ending March 31, 2022	\$0.78 per month	\$0.78 per month
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c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

⁽¹⁾ 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: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

EPCOR Natural Gas Limited Partnership

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

The 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

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

a)	Monthly Fixed Charge ⁽¹⁾	\$191.00
	Rate Rider for REDA Recovery (2021) – effective for 3 months ending March 31, 2022	\$0.78
	Rate Rider for REDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33
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 9.7053 cents per m ³ and not to be less than 6.2641 per m ³ .	
	Rate Rider for PGTVA recovery (2021) – effective for 3 months ending March 31, 2022	0.3113 cents per m ³
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³
	Rate Rider for ADVADA recovery (2021) – effective for 3 months ending March 31, 2022	0.1508 cents per m ³
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0238 cents per m ³
c)	Carbon Charges	
	Federal Carbon Charge (if applicable)	7.8300 cents per m ³
	Facility Carbon Charge	0.0052 cents per m ³
	Rate Rider for FCCCVA recovery (if applicable) – effective for 3 months ending March 31, 2022	0.9416 cents per m ³

Rate Rider for FCCFVA recovery (if applicable) \$0.01 per month
– effective for 3 months ending March 31, 2022

Rate Rider for GGEADA recovery \$0.78 per month
– effective for 3 months ending March 31, 2022

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 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 8.1474 cents per m³ for interruptible gas.

⁽¹⁾ 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: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

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 ⁽¹⁾ for firm services	\$64,140.69
	Rate Rider for REDA Recovery (2021) – effective for 3 months ending March 31, 2022	\$0.78
	Rate Rider for REDA Recovery (2022) – effective for 12 months ending December 31, 2022	\$0.27
b)	Carbon Charges - Facility Carbon Charge	0.0052 cents per m ³
c)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

⁽¹⁾ Aggregated within Monthly Fixed 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: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

EPCOR Natural Gas Limited Partnership

SCHEDULE A – Gas Supply Charges

Rate Availability

The 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-2021-0179)	13.0605 cents per m ³
GPRA Recovery Rate	(EB-2021-0179)	0.2017 cents per m ³
System Gas Fee	(EB-2018-0336)	<u>0.0435</u> cents per m ³
Total Gas Supply Charge		<u>13.3057</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account
GPRA means Gas Purchase Rebalancing Account

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

EPCOR Natural Gas Limited Partnership

RATE BT1 – Bundled Direct Purchase Contract Rate

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

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0215

EPCOR Natural Gas Limited Partnership

Transmission Service

Availability

Transmission Service charges shall be applied to all natural gas producers that sell gas into Enbridge Gas' Union South system via ENGLP's distribution system.

Eligibility

All natural gas producers, transporting gas through ENGLP's system for sale into Enbridge Gas' Union South system shall be charged the Transmission Service Rate and associated Administrative Charge. Rates and Charges will be applied only in those months that a natural gas producer delivers gas to a delivery point on ENGLP's system for sale into Enbridge Gas' Union South system.

Rate

Administrative Charge	\$250/month
Transmission Service Rate	\$0.95/mcf

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1,
2022

EB-2021-0215