

DECISION AND INTERIM RATE ORDER

EB-2024-0267

EPCOR NATURAL GAS LIMITED PARTNERSHIP- SOUTH BRUCE

Application for quarterly rate adjustment mechanism commencing October 1, 2024

By Delegation, before: Theodore Antonopoulos

Vice President Major Applications

INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) filed an application with the Ontario Energy Board (OEB) on September 10, 2024 for an order approving just and reasonable rates and other charges for the sale of natural gas commencing October 1, 2024 for its South Bruce service area (the Application). The purpose of the Application is to set rates to pass through to customers the market price of the natural gas commodity. EPCOR does not make a profit on the sale of the natural gas commodity to its customers.

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.¹

EPCOR provided written evidence in support of the proposed changes. EPCOR provided the Application to all parties of record in EPCOR South Bruce's last major rates proceedings.²

EPCOR in its Application requested approval of the commodity cost consequence of using compressed natural gas (CNG) in this QRAM. EPCOR forecasted 132,000m³ of CNG to be purchased at a market price without markup, the price that the CNG vendor is paying. EPCOR stated that the remaining costs, the M2 delivery and the delivery fee³, will be included in the Storage and Transportation Variance Account balances for disposition expected in its 2025 annual update for 2026 rates.

Parties and OEB staff wishing to file questions or comments on the Application were required to file these questions and comments with the OEB by September 15, 2024. OEB staff requested additional details regarding EPCOR's use of CNG as noted below, and EPCOR filed its response to OEB staff's request on September 13, 2024. No other party filed questions or comments.

OEB staff requested additional details regarding EPCOR's request for approval of the commodity cost consequence of a CNG pilot to be run between October and December 2024 to deal with potential low-pressure issues at the southern end of its system. EPCOR noted that the decision to run the pilot was in response to low pressure observed in the 2023-2024 winter season (November to March), and after EPCOR updated its engineering/system modeling with current customer consumption patterns. EPCOR believes that demand contracted with Enbridge is expected to be sufficient to

² EB-2018-0264 and EB-2019-0264

¹ EB-2008-0106

³ EPCOR response to questions, September 13, 2024

meet peak day demand during the grain drying season. However, the modelling results indicated that low pressure issues could persist in the Southern part of the system.

EPCOR noted that the CNG pilot is a component of EPCOR's 2024 Gas Supply Plan (GSP) that is currently undergoing a consultation with the OEB. EPCOR indicated that it would be open to the OEB approving interim rates in this QRAM pending the outcome of the GSP consultation.⁴

FINDINGS

The OEB approves the Application on an interim basis.

CNG Pilot

In response to the questions from OEB staff, EPCOR stated it has not previously received approval from the OEB for the cost consequences of using CNG. The OEB notes that this is the first time EPCOR has requested approval of the cost consequences of using CNG in a QRAM application, that the QRAM process is intended to be largely administrative in nature (and processed in less than 14 days from filing to decision) and that ideally, a more thorough review of using CNG is required. In addition, EPCOR's CNG proposal is currently under review in the consultation on EPCOR's 2024 GSP.⁵

As such, the OEB will approve the proposed rates on an interim basis pending OEB staff's release of its report including recommendations to the OEB on the 2024 GSP and pending the OEB's response to that report.

Remaining Elements of this QRAM Application

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 EPCOR 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.

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⁴ EB-2024-0139

⁵ Ibid

EPCOR's South Bruce commodity rates will be adjusted effective October 1, 2024 to reflect an overall decrease in forecast natural gas prices and the prospective recovery of the projected 12-month balances in the gas supply deferral accounts for the period ending September 2025.

The OEB finds that the proposed gas commodity charge is set appropriately to reflect the change in the Purchase Gas Commodity Variance Account (PGCVA) reference price and the change in the recovery amount for inventory revaluation recorded in the Gas Purchase Rebalancing Account (GPRA). The PGCVA reference price is adjusted, effective October 1, 2024, based on: (a) the estimated accumulated balance in the account as of the end of September 2024; and (b) the forecasted cost of natural gas over the next 12-month period. The PGCVA reference price is set to bring the PGCVA balance to nearly zero over a 12-month period. The GPRA recovery amount is similarly set to bring the GPRA balance to nearly zero over a 12-month period.

The total annual bill impact for a typical South Bruce residential customer who purchases their gas supply from EPCOR is a decrease of approximately \$18 or 1.0%.

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. The rates approved for EPCOR Natural Gas Limited Partnership's South Bruce service area as part of the Decision and Rate Order in EB-2024-0196, dated June 26, 2024, shall be superseded on an interim basis by the rates as provided in Appendix A to this Decision and Interim Rate Order.
- 2. The rates approved shall be effective October 1, 2024 and shall be implemented in EPCOR Natural Gas Limited Partnership's first billing cycle commencing in October 2024.
- 3. The reference price for use in determining the amounts to be recorded in the Purchase Gas Commodity Variance Account shall decrease by \$0.009721 per m³ from the previous OEB approved level of \$0.131479 to \$0.121758 per m³.
- 4. The balance in the Gas Purchase Rebalancing Account shall be prospectively cleared. The Gas Purchase Rebalancing Account recovery amount shall increase by \$0.001441 from the previous OEB approved level of -\$0.001631 per m³ to -\$0.000190 per m³. The resulting gas supply charge will decrease from the previous OEB-approved level of \$0.129848 per m³ to \$0.121568 per m³ as noted in Appendix A to this Decision and Interim Rate Order.

5. EPCOR Natural Gas Limited Partnership shall notify its South Bruce customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

ISSUED at Toronto, September 24, 2024

ONTARIO ENERGY BOARD

Nancy Marconi Registrar

APPENDIX A TO DECISION AND INTERIM RATE ORDER OEB FILE NO. EB-2024-0267

DATED: September 24, 2024

RATE 1 - General Firm Service

Applicability

Any customer in EPCOR's Southern Bruce Natural Gas System who is an end user and whose total gas requirements are equal to or less than 10,000 m³ per year.

Rate

Rates per m³ assume an energy content of 38.89MJ/m³

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

Delivery Charge First 100 m³ per month 29.4035 ¢ per m³ Next 400 m³ per month 28.8243 ¢ per m³ Over 500 m³ per month 27.9729 ¢ per m³
Next 400 m³ per month 28.8243 ¢ per m³
Over $500 \text{ m}^3 \text{ per month}$ 27.9729 ¢ per m ²
Upstream Charges
Upstream Recovery charge 1.4740 ¢ per m
Transportation and Storage charge 2.6982 ¢ per m
Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028
ECVA Rate Rider 0.1727 ¢ per m
- effective for 12 months ending December 31, 2024
CIACVA Rate Rider 2.3327 ¢ per m²
- effective for 12 months ending December 31, 2024
MTVA Rate Rider (2.2906) ¢ per m
- effective for 12 months ending December 31, 2024
ORDA Rate Rider (0.0893) ¢ per m
- effective for 12 months ending December 31, 2024
Federal Carbon Charge (if applicable) (2) 15.25 ¢ per m
Facility Carbon Charge 0.0013 ¢ per m
Gas Supply Charge 12.1568 ¢ per m

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

⁽²⁾ The Federal Carbon Charge is only "applicable" to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

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Direct Purchase Delivery

Where a customer elects under this Rate Schedule to directly purchase its gas from a supplier other than ENGLP, the supplier must qualify as a "gas marketer" under the *Ontario Energy Board Act, 1998*, and must enter into a T-Service Receipt Contract with ENGLP for delivery of gas to ENGLP at a receipt point listed on the upstream transportation contract that ENGLP has with the Upstream Service Provider ("Ontario Delivery Point"). T-Service Receipt Contract rates are described in Rate Schedule T1. Transportation and Storage charges may vary depending on the Ontario Delivery Point. Gas Supply Charges in this Rate Schedule are not applicable for Rate T1 customers.

Terms and Conditions of Service

The provisions in the "EPCOR Natural Gas Limited Partnership Southern Bruce Natural Gas Operations Conditions of Service" apply, as contemplated therein, to service under this Rate Schedule.

Effective: October 1, 2024

Implementation: All bills rendered on or after October 1, 2024

RATE 6 - Large Volume General Firm Service

Applicability

Any customer in EPCOR's Southern Bruce Natural Gas System who is an end user and whose total gas requirements are greater than 10,000 m³ per year.

Rate

Rates per m³ assume an energy content of 38.89MJ/m³

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

Monthly Fixed Charge (1)	\$112.93	
Delivery Charge		
First 1000 m ³ per month	27.1255	¢ per m³
Next 6000 m ³ per month	24.4130	¢ per m³
Over 7000 m ³ per month	23.1921	¢ per m ³
Upstream Charges		
Upstream Recovery charge	2.9200	¢ per m³
Transportation and Storage charge	5.6413	¢ per m³
Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028	0.9090	¢ per m³
ECVA Rate Rider	0.1905	¢ per m³
- effective for 12 months ending December 31, 2024		. 1
CIACVA Rate Rider - effective for 12 months ending December 31, 2024	3.1292	¢ per m³
MTVA Rate Rider - effective for 12 months ending December 31, 2024	(3.9875)	¢ per m³
ORDA Rate Rider	(0.0759)	¢ per m³
- effective for 12 months ending December 31, 2024	15.05	, 3
Federal Carbon Charge (if applicable) (2)		¢ per m³
Facility Carbon Charge	0.0013	¢ per m ³
Gas Supply Charge	12.1568	¢ per m³

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

⁽²⁾ The Federal Carbon Charge is only "applicable" to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

Direct Purchase Delivery

Where a customer elects under this Rate Schedule to directly purchase its gas from a supplier other than ENGLP, the customer or their agent must enter into a T-Service Receipt Contract with ENGLP for delivery of gas to ENGLP at a receipt point listed on the upstream transportation contract that ENGLP has with the Upstream Service Provider ("Ontario Delivery Point"). T-Service Receipt Contract rates are described in Rate Schedule T1. Transportation and Storage charges may vary depending on the Ontario Delivery Point. Gas Supply Charges in this Rate Schedule are not applicable for Rate T1 customers.

Terms and Conditions of Service

The provisions in the "EPCOR Natural Gas Limited Partnership Southern Bruce Natural Gas Operations Conditions of Service" apply, as contemplated therein, to service under this Rate Schedule.

Effective: October 1, 2024

Implementation: All bills rendered on or after October 1, 2024

RATE 11 - Large Volume Seasonal Service

Applicability

Any customer in EPCOR's Southern Bruce Natural Gas System who is an end user and whose gas requirements are only during the period of May 1 through Dec 15 inclusive and are greater than 10,000 m³.

Rate

Rates per m³ assume an energy content of 38.89MJ/m³

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

All volumes delivered 16.8495 ¢ per m³ Upstream Charges Upstream Recovery charge Upstream Recovery charge Transportation and Storage charge 1.8166 ¢ per m³ Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028 ECVA Rate Rider - effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024	Monthly Fixed Charge (1) \$224	4.86	
Upstream Charges Upstream Recovery charge 0.0352 ¢ per m³ Transportation and Storage charge 1.8166 ¢ per m³ Rate Rider for Delay in Revenue Recovery 0.5524 ¢ per m³ - effective for 10 years ending December 31, 2028 ECVA Rate Rider 0.1427 ¢ per m³ - effective for 12 months ending December 31, 2024 CIACVA Rate Rider 0.6059 ¢ per m³ - effective for 12 months ending December 31, 2024 MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	Delivery Charge		
Upstream Recovery charge 0.0352 ¢ per m³ Transportation and Storage charge 1.8166 ¢ per m³ Rate Rider for Delay in Revenue Recovery 0.5524 ¢ per m³ - effective for 10 years ending December 31, 2028 ECVA Rate Rider 0.1427 ¢ per m³ - effective for 12 months ending December 31, 2024 CIACVA Rate Rider 0.6059 ¢ per m³ - effective for 12 months ending December 31, 2024 MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	All volumes delivered 16.8	3495	¢ per m³
Upstream Recovery charge 0.0352 ¢ per m³ Transportation and Storage charge 1.8166 ¢ per m³ Rate Rider for Delay in Revenue Recovery 0.5524 ¢ per m³ - effective for 10 years ending December 31, 2028 ECVA Rate Rider 0.1427 ¢ per m³ - effective for 12 months ending December 31, 2024 CIACVA Rate Rider 0.6059 ¢ per m³ - effective for 12 months ending December 31, 2024 MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024			
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Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028 ECVA Rate Rider - effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024	Upstream Recovery charge 0.0)352	¢ per m³
- effective for 10 years ending December 31, 2028 ECVA Rate Rider - effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024	Transportation and Storage charge 1.8	3166	¢ per m³
- effective for 10 years ending December 31, 2028 ECVA Rate Rider - effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024			
ECVA Rate Rider - effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024	Rate Rider for Delay in Revenue Recovery 0.5	5524	¢ per m³
- effective for 12 months ending December 31, 2024 CIACVA Rate Rider - effective for 12 months ending December 31, 2024 MTVA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024 ORDA Rate Rider - effective for 12 months ending December 31, 2024	- effective for 10 years ending December 31, 2028		
CIACVA Rate Rider 0.6059 ¢ per m³ - effective for 12 months ending December 31, 2024 MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	ECVA Rate Rider 0.1	427	¢ per m³
- effective for 12 months ending December 31, 2024 MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	- effective for 12 months ending December 31, 2024		
MTVA Rate Rider (0.7740) ¢ per m³ - effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	CIACVA Rate Rider 0.6	5059	$\not e$ per m^3
- effective for 12 months ending December 31, 2024 ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	- effective for 12 months ending December 31, 2024		
ORDA Rate Rider (0.0294) ¢ per m³ - effective for 12 months ending December 31, 2024	MTVA Rate Rider (0.7)	740)	¢ per m³
- effective for 12 months ending December 31, 2024	- effective for 12 months ending December 31, 2024		
-	ORDA Rate Rider (0.02	294)	¢ per m³
7 1 1 6 1 6 6 4 7 1 1 2	- effective for 12 months ending December 31, 2024		
Federal Carbon Charge (if applicable) (2) 15.25 ¢ per m ³	Federal Carbon Charge (if applicable) (2)	5.25	¢ per m³
Facility Carbon Charge 0.0013 ¢ per m ³	Facility Carbon Charge 0.0)013	¢ per m³
Gas Supply Charge 12.1568 ϕ per m ³	Gas Supply Charge 12.1	568	¢ per m³

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

⁽²⁾ The Federal Carbon Charge is only "applicable" to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

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Unaccounted for Gas (UFG):

Forecasted UFG is applied to all volumes of gas delivered to the customer.

Forecasted Unaccounted for Gas Percentage

0.00

%

Overrun Charges:

Any volume of gas taken during the period of December 16 through April 30 inclusive shall constitute "Overrun Gas" and must be authorized in advance by EPCOR. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges. EPCOR will not unreasonably withhold authorization.

Authorized Overrun Charge

17.5581 ¢ per m³

Any volume of gas taken during the period of December 16 through April 30 inclusive without EPCOR's approval in advance shall constitute "Unauthorized Overrun Gas". Delivery of these volumes will be paid for at the Unauthorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges.

Unauthorized Overrun Charge

420.4559 ¢ per m³

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

Nominations:

Union Gas Limited will be the "Upstream Service Provider" to facilitate delivery and balancing of gas supplies to the EPCOR Southern Bruce Natural Gas System. For service under this Rate Schedule, the customer shall nominate for transportation of gas volumes for ultimate delivery to the customer. The customer agrees to nominate its daily gas volumetric requirement to EPCOR, or its designated agent, consistent with industry nomination standards including those nomination requirements of the Upstream Service Provider.

The customer shall nominate gas delivery daily based on its daily gas requirements plus the Forecasted UFG rate as set out in this Rate Schedule.

The nomination calculation shall equal:

[(Daily volume of gas to be delivered) * (1 + Forecasted UFG)]

Customers may change daily nominations based on the nomination windows within a day as defined by EPCOR's agreement with the Upstream Service Provider.

In the event nominations under this Rate Schedule do not match upstream nominations, the nomination will be confirmed at the upstream value.

Customers with multiple connections under this Rate Schedule may combine nominations at the sole discretion of EPCOR. For combined nominations the customer shall specify the quantity of gas to each meter installation ("Terminal Location") and the order in which the gas is to be delivered to each Terminal Location.

Load Balancing:

Daily nominations provided by the customer shall be used for the purposes of day-to-day balancing as required under EPCOR's arrangement with the Upstream Service Provider.

When a customer's metered consumption on any day is different than the gas nominated for consumption by the customer on any day, this constitutes a "Daily Load Imbalance". A "Cumulative Load Imbalance" occurs when the ongoing absolute value of Daily Load Imbalances are greater than zero.

To the extent that EPCOR incurs daily or cumulative load balancing charges, the customer will be responsible for its proportionate share of such charges. Charges related to these imbalances are as defined in EPCOR's agreement with the Upstream Service Provider.

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 T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR at a receipt point listed on the upstream transportation contract that EPCOR has with the Upstream Service Provider ("Ontario Delivery Point"). T-Service Receipt Contract rates are described in Rate Schedule T1. Transportation and Storage charges may vary depending on the Ontario Delivery Point. Gas Supply Charges in this Rate Schedule are not applicable for Rate T1 customers.

Terms and Conditions of Service

- 1. In any year, during the period of May 1 through December 15 inclusive, the customers shall receive continuous ("Firm") service from EPCOR, except where impacted by events as specified in EPCOR Natural Gas Limited Partnership Southern Bruce Natural Gas Operations Conditions of Service including force majeure. During the period of December 16 through April 30 inclusive, any authorized overrun service shall be interruptible at the sole discretion of EPCOR. All service during the period December 16 through April 30 inclusive shall be subject to EPCOR's prior authorization under the daily nomination procedures outlined in this Rate Schedule and shall constitute Overrun Gas.
- 2. To the extent that EPCOR's Upstream Service Provider provides any seasonal or day-to-day balancing rights for EPCOR, the customer shall be entitled to a reasonable proportion of such balancing rights as determined by EPCOR from time to time. If the customer utilizes any of EPCOR's seasonal or day-to-day balancing services or any other services available from the Upstream Service Provider, the customer agrees to comply with all balancing requirements imposed by the Upstream Service Provider. The customer also agrees to be liable for its share of any such usage limitations or restrictions, fees, costs or penalties associated with the usage of such services, including but not limited to any associated storage fees, daily or cumulative

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balancing fees or penalties, and gas commodity costs as determined by EPCOR, acting reasonably.

- 3. EPCOR receives upstream services under the Union Gas Limited M17 Rate Schedule. Details of this upstream arrangement and associated nomination standards and Load Balancing Arrangement are available at www.uniongas.com.
- 4. The provisions in the "EPCOR Natural Gas Limited Partnership Southern Bruce Natural Gas Operations Conditions of Service" apply, as contemplated therein, to service under this Rate Schedule.

Effective: October 1, 2024

Implementation: All bills rendered on or after October 1, 2024

RATE 16 – Contracted Firm Service

Applicability

Any customer connected directly to EPCOR's Southern Bruce Natural Gas High Pressure Steel System and who enters into a contract with EPCOR for firm contract daily demand of at least 2,739m³.

Rate

Rates per m³ assume an energy content of 38.89MJ/m³

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

Monthly Fixed Charge (1)	\$1,647.03		
Delivery Charge			
Per m ³ of Contract Demand	112.2750	¢ per m ³	
Upstream Charges			
Upstream Recovery charge per m³ of Contract Demand	14.2434	¢ per m³	
Transportation charge per m³ of Contract Demand			
Transportation from Dawn	18.2999	¢ per m ³	
Transportation from Kirkwall	11.8480	¢ per m ³	
Transportation from Parkway	11.8480	¢ per m³	
Rate Rider for Delay in Revenue Recovery	0.0601	¢ per m ³	
- effective for 10 years ending December 31, 2028			
CIACVA Rate Rider	4.7721	Per m ³ of Contract Demand per	
- effective for 12 months ending December 31, 2024		month	
MTVA Rate Rider	(5.6380)	Per m ³ of Contract Demand per month	
- effective for 12 months ending December 31, 2024		month	
ORDA Rate Rider	(0.0506)	Per m ³ of Contract Demand per month	
- effective for 12 months ending December 31, 2024		111011011	
Federal Carbon Charge (if applicable) (2)	15.25	¢ per m ³	
Facility Carbon Charge	0.0013	¢ per m ³	

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

⁽²⁾ The Federal Carbon Charge is only "applicable" to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

Unaccounted for Gas:

Forecasted Unaccounted for Gas (UFG) is applied to all volumes of gas delivered to the customer.

Forecasted Unaccounted for Gas Percentage

0.00

%

Overrun Charges:

Any volume of gas taken in excess of the daily Contract Demand or Peak Hourly Volume EPCOR is obligated to transport as per the contract with the customer shall constitute "Overrun Gas" and must be authorized in advance by EPCOR. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges. EPCOR will not unreasonably withhold authorization.

Authorized Overrun Charge

5.4867

¢ per m³

Any volume of gas taken in excess of the daily Contract Demand or Peak Hourly Volume EPCOR is obligated to transport as per the contract with the customer without EPCOR's approval in advance shall constitute "Unauthorized Overrun Gas". Delivery of these volumes will be paid for at the Unauthorized Overrun Charge in addition to applicable Upstream Charges.

Unauthorized Overrun Charge

420.5640

¢ per m³

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

Nominations:

Union Gas Limited will be the "Upstream Service Provider" to facilitate delivery and balancing of gas supplies to the EPCOR Southern Bruce Natural Gas System. For service under this Rate Schedule, the customer shall nominate for transportation of gas volumes for ultimate delivery to the customer. The customer agrees to nominate its daily gas volumetric requirement to EPCOR, or its designated agent, consistent with industry nomination standards including those nomination requirements of the Upstream Service Provider.

The customer shall nominate gas delivery daily based on its daily gas requirements plus the Forecasted UFG rate and Fuel Ratio. The Forecasted UFG rate is as set out in this Rate Schedule. The Fuel Ratio is the Shipper Supplied Fuel rates applicable to the receipt point of gas defined in the "Gas Supply" section of this Rate Schedule.

The nomination calculation shall equal:

[(Daily volume of gas to be delivered) * (1 + Forecasted UFG) * (1 + Fuel Ratio)]

Customers may change daily nominations based on the nomination windows within a day as defined by EPCOR's agreement with the Upstream Service Provider.

In the event nominations under this Rate Schedule do not match upstream nominations, the nomination will be confirmed at the upstream value.

Customers with multiple connections under this Rate Schedule may combine nominations at the sole discretion of EPCOR. For combined nominations the customer shall specify the quantity of gas to each meter installation ("Terminal Location") and the order in which the gas is to be delivered to each Terminal Location.

Load Balancing:

Daily nominations provided by the customer shall be used for the purposes of day-to-day balancing as required under EPCOR's arrangement with the Upstream Service Provider.

When a customer's metered consumption on any day is different than the gas nominated for consumption by the customer on any day, this constitutes a "Daily Load Imbalance". A "Cumulative Load Imbalance" occurs when the ongoing absolute value of Daily Load Imbalances are greater than zero.

To the extent that EPCOR incurs daily or cumulative load balancing charges, the customer will be responsible for its proportionate share of such charges. Charges related to these imbalances are as defined in EPCOR's agreement with the Upstream Service Provider.

Gas Supply:

Unless otherwise authorized by EPCOR, customers under this Rate Schedule must deliver firm gas at a receipt point listed on the upstream transportation contract that EPCOR has with the Upstream Service Provider ("Ontario Delivery Point"). The customer or their agent must enter into a T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. T-Service Receipt Contract rates are described in Rate Schedule T1.

The customer must deliver to EPCOR on a daily basis the volume of gas to be delivered to the customer's Terminal Location plus the Forecasted UFG rate and Fuel Ratio. Transportation charges vary depending on the Ontario Delivery Point at the rates provided in this Rate Schedule. The Forecasted UFG rate is as set out in this Rate Schedule, and the Fuel Ratio is the Shipper Supplied Fuel rates of the Ontario Delivery Point related to necessary compressor or other fuel requirements of the Upstream Service Provider.

The Gas Supply calculation shall equal:

[(Daily volume of gas to be delivered) *(1 + Forecasted UFG) *(1 + Fuel Ratio)]

Terms and Conditions of Service

- 1. EPCOR receives upstream services under the Union Gas Limited M17 Rate Schedule. Details of this upstream arrangement and associated nomination standards, applicable Fuel Ratio, and Load Balancing Arrangement are available at www.uniongas.com.
- 2. The provisions in the "EPCOR Natural Gas Limited Partnership General Terms and Conditions for Rate 16 Customers" apply, as contemplated therein, to service under this Rate Schedule.

Effective: October 1, 2024

Implementation: All bills rendered on or after October 1, 2024

RATE T1 – Direct Purchase Contract Rate

Availability

Rate T1 is available to all customers or their agent who enter into a T-Service Receipt Contract for delivery of gas to EPCOR. The availability of this option is subject to EPCOR obtaining a satisfactory agreement or arrangement with EPCOR's Upstream Service Provider for direct purchase volume.

Eligibility

All customers who must, or elect to, purchase gas directly from a supplier other than EPCOR. These customers must enter into a T-Service Receipt Contract with EPCOR either directly or through their agent, for delivery of gas to EPCOR at a receipt point listed on the upstream transportation contract that EPCOR has with the Upstream Service Provider ("Ontario Delivery Point").

Rate

All charges in the customer's appropriate Rate Schedule excluding Gas Supply Charge shall apply. Applicable Transportation and Storage charges are determined based on the Ontario Delivery Point.

In addition, administration fees apply to customers who elect to enter into a T-Service Receipt Contract with EPCOR and are detailed in the Direct Purchase Contract with the customer or its agent.

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

Unaccounted for Gas:

Forecasted Unaccounted for Gas (UFG) is applied to all volumes of gas supplied:

Forecasted Unaccounted for Gas Percentage 0.00 %

Gas Supply:

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must deliver firm gas at a daily volume acceptable to EPCOR, to an Ontario Delivery Point, and, where applicable, must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

The customer or its agent must deliver to EPCOR on a daily basis, at the Ontario Delivery Point, the volume of gas to be delivered to the customer's Terminal Location plus the Forecasted UFG rate and Fuel Ratio. Where the Forecasted UFG rate is as set out in this Rate Schedule, and the Fuel Ratio is the Shipper Supplied Fuel rates of the Ontario Delivery Point related to necessary compressor or other fuel requirements of the Upstream Service Provider.

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The Gas Supply calculation shall equal:

[(Daily volume of gas to be delivered) * (1 + Forecasted UFG) * (1 + Fuel Ratio)]

Terms and Conditions of Service

The provisions in the "T-Service Receipt Contract General Terms and Conditions" apply, as contemplated therein, to service under this Rate Schedule.

Effective: October 1, 2024

Implementation: All bills rendered on or after October 1, 2024

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Schedule of Miscellaneous and Service Charges

	A	В
	Service	Fee
1	Service Work	
2	During normal working hours	
3	Minimum charge (up to 60 minutes)	\$100.00
4	Each additional hour (or part thereof)	\$100.00
5	Outside normal working hours	
6	Minimum charge (up to 60 minutes)	\$130.00
7	Each additional hour (or part thereof)	\$105.00
8		
9	Miscellaneous Charges	
10	Returned Cheque / Payment	\$20.00
11	Replies to a request for account information	\$25.00
12	Bill Reprint / Statement Print Requests	\$20.00
13	Consumption Summary Requests	\$20.00
14	Customer Transfer / Connection Charge	\$35.00
15		
16	Reconnection Charge	\$85.00
17		
18	Inactive Account Charge	ENGLP's cost to install service
19		
		1.5% / month, 19.56% / year
20	Late Payment Charge	(effective rate of 0.04896%
20	, c	compounded daily)
21		
22		
23	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
24	Installation of Service Lateral ³	No charge for the first 30 meters

Note: Applicable taxes will be added to the above charges

³ No Charge for Initial Connection