



55 University Ave., Suite 710
Toronto, Ontario, M5J 2H7
epcor.com

March 2, 2020

VIA RESS & COURIER

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: EB-2020-0076 EPCOR Natural Gas Limited Partnership ("ENGLP")
2020 Federal Carbon Pricing Program Application – Corrected exhibits**

Please find enclosed a copy of the application with corrections to supporting exhibits. Corrections relate to commodity rates for which the difference between the existing and proposed rates net out to zero. Consequently, the only bill impact is for Rate 1 industrial, which in percentage terms changes from 5.80% to 5.92%. All other bill impact tables referenced the correct commodity rates in the original filing.

The affected pages are:

- Exhibit E, Tab 2, Schedule 4, Page 1 (Summary of Customer Bill Impacts)
- Exhibit E, Tab 2, Schedule 5, Page 3 (Bill Impacts, Rate 1 Industrial)
- Exhibit E, Tab 3, Schedule 1, Page 15 (Gas Supply Charges)

Also, ENGLP takes the opportunity to correct the page identifiers (top right) on Exhibit E, Tab 2, Schedule 1 and Schedule 2. The content of these pages from the original filing is unchanged.

Should you have any questions, please contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "VCooney", is placed over a light gray rectangular background.

Vince Cooney, P.Eng, MBA
Senior Manager, Regulatory Affairs, Ontario
EPCOR Utilities Inc.
VCooney@epcor.com
(647) 730-0013

cc. All registered intervenors in EB-2020-0076

EB-2020-0076

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, as amended (the “**Act**”);

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership for an Order under section 36(1) of the Act for an order or orders for rates to recover costs resulting from the *Greenhouse Gas Pollution Pricing Act*, S.C. 2018, c. 12, s. 186.

**APPLICATION OF
EPCOR NATURAL GAS LIMITED PARTNERSHIP**

1. EPCOR Natural Gas Limited Partnership (“**ENGLP**”) is a privately-owned utility that sells and distributes natural gas within the province of Ontario. ENGLP’s Aylmer utility supplies natural gas to Aylmer and surrounding areas to approximately 9,300 customers with its service territory stretching from south of Highway 401 to the shores of Lake Erie, from Port Bruce to Clear Creek. It is this utility, or ENGLP’s “Aylmer operations” which are the subject of this Application.
2. ENGLP is also a registered distributor pursuant to section 55(1) of the *Greenhouse Gas Pollution Pricing Act* (the “**GGPPA**”). A federal carbon pricing program (“ ”) under the GGPPA applies to any province or territory that requested it or that did not have an equivalent carbon pricing system in place by January 1, 2019. The account number assigned to ENGLP by the Canada Revenue Agency (“**CRA**”) is 74396 8299 CT0001.
3. Among other things, the GGPPA applies a charge, by volume, on certain types of fuel and combustible waste, including marketable natural gas, effective April 1, 2019 (the “**Fuel Charge**”). As a registered distributor, ENGLP is required to report volumes of fuel delivered to customers or used by the distributor and remit the Fuel Charge for such volumes on a monthly basis to the CRA.
4. The GGPPA is composed of two key parts: (1) the Fuel Charge applied on 21 types of fuel and combustible waste, which is administered by the CRA; and (2) an output-based pricing system (“**OBPS**”) for industrial facilities, which is administered by Environment and Climate Change Canada (“**ECCC**”).
5. ENGLP has confirmed with ECCC that the OBPS does not apply to ENGLP’s facilities or assets. However, the Fuel Charge will apply to natural gas volumes sold or used by ENGLP.

6. Pursuant to section 36(1) of the GGPPA, ENGLP has obtained a Fuel Charge Exemption Certificate from the CRA and has provided a copy to its supplier of natural gas, Enbridge Gas Distribution Inc. (“**Enbridge**”) in order to exempt ENGLP, pursuant to section 17(2) of the GGPPA, from the Fuel Charge applying to volumes of natural gas sold by Enbridge to ENGLP.
7. As a result of the GGPPA, ENGLP will incur the following costs:
 - (a) Incremental administration costs;
 - (b) Customer-related Fuel Charge costs which ENGLP will be required to pay under the GGPPA for volumes delivered by ENGLP to its residential, commercial and industrial customers who have not provided ENGLP with a Fuel Charge Exemption Certificate, along with any resulting increase to financing costs; and
 - (c) Facility-related costs arising from ENGLP’s facilities and operation of its gas distribution system, along with any resulting increase to financing costs.
8. ENGLP made an application with respect to its forecast 2019 GGPPA costs on March 8, 2019 and received a Decision and Order on July 18, 2019 in OEB proceeding EB-2019-0101 (the “2019 Application”).¹
9. Through its decision and order dated October 24, 2019 the Ontario Energy Board (the “**OEB**” or the “**Board**”) approved ENGLP’s application (EB-2018-0336) to establish rates for the period from January 1, 2020 to December 31, 2024 and to implement various rate riders. Costs associated with the GGPPA were not included in the EB-2018-0336 application.
10. Accordingly, ENGLP applies to the OEB pursuant to section 36(1) of the Act:
 - (a) For an order or orders allowing ENGLP to charge customers a fuel charge on a volumetric basis, in the amount of the Fuel Charge required to be paid pursuant to the GGPPA, effective April 1, 2020; and
 - (b) For an order approving or fixing just and reasonable rates, effective April 1, 2020, to allow ENGLP to recover the other costs associated with compliance with the GGPPA.
 - (c) For an order approving disposition of final 2019 balances in the three GHG-related deferral and variance accounts described in the section below.
11. ENGLP further applies for approval by the OEB for the continued use of the following existing deferral and variance accounts to record amounts related to the GGPPA.
 - (a) Greenhouse Gas Emissions Administration Deferral Account effective January 1, 2019 (“GGEADA”);

¹ EB-2019-0101.

- (b) Federal Carbon Charge – Customer Variance Account effective April 1, 2019 (“FCCCVA”); and
 - (c) Federal Carbon Charge – Facility Variance Account effective April 1, 2019 (“FCCFVA”).
12. ENGLP will provide final audited amounts for the 12 months ended December 31, 2019 as part of an evidence update in this proceeding.
 13. ENGLP further applies for all necessary orders and directions concerning pre-hearing and hearing procedures for the determination of this application. This application is supported by written evidence filed with this application, which may be amended from time to time.
 14. The persons affected by this application include all of ENGLP’s residential, commercial and industrial customers.
 15. ENGLP’s 2019 Application was filed for rates effective from April 1, 2019 to December 31, 2019. That application was approved on July 18, 2019. The OEB approved the continued charging of the Fuel Charge² at a rate of 3.9100 cents per m³ and the Facility Carbon Charge at a rate of 0.0017 cents per m³ as part of ENGLP’s Quarterly Rate Adjustment Mechanism (“QRAM”) Decision and Interim Rate Order on December 23, 2019³ with respect to rates effective January 1, 2020.
 16. Given the above, ENGLP requests that the Board clarify that reasonable administration costs incurred by the utility between January 1, 2020 and March 31, 2020 that are related to the FCPP program are recoverable. The new pass-through federal carbon rates take effect on April 1 annually, and the Board’s preference to test and clear final audited balances⁴ for deferral and variance accounts (which audited balances are not available for this application until February/March 2020) creates a minor timing issue for natural gas distributors.
 17. ENGLP requests that the OEB issue orders granting the approvals requested on a final basis by March 23, 2020. Should the OEB determine that it is not possible to review and grant the approvals requested by such date, ENGLP requests that the OEB grant approval of just and reasonable rates effective April 1, 2020 on an interim basis by March 23, 2020 including authority to continue to track costs for future recovery in the GGEADA, FCCCVA, and FCCFVA.
 18. ENGLP submits that, if necessary, granting interim rates does not prejudice any party to this proceeding. ENGLP’s rates were made interim pending a review of ENGLP’s gas supply plan update, which is scheduled to be filed May 1, 2020.⁵

² This charge appears on ENGLP’s Rate Schedules as “Federal Carbon Charge (if applicable)”

³ EB-2019-0288

⁴ EB-2019-0247, Interim Decision and Order, February 11, 2020.

⁵ Supra at note 3, Decision and Interim Order, dated December 23, 2019.

19. Given the importance of ENGLP's obligations under the FCPP and considering the magnitude of the rate increases, it would be appropriate to avoid continued accumulation of unbilled and uncollected amounts from customers that could result in a larger impact on bills when such amounts are recovered from customers in the future.

20. The address for service for ENGLP is:

Susannah Robinson
Vice President, Ontario Region
EPCOR Ontario Utilities Inc.
55 University Avenue, Suite 710
Toronto, ON M5J 2H7
Tel: 647-730-0010
E-mail: srobinson@epcor.com

and

Daniela O'Callaghan, Legal Counsel
EPCOR Utilities Inc.
2000 – 10423-101 St. NW
Edmonton, AB T5H 0E8
Tel: 780-412-4081
Fax: 780-441-7118
E-mail: docallaghan@epcor.com

and

Vince Cooney
Senior Manager, Regulatory Affairs, Ontario
Commercial Services
EPCOR Utilities Inc.
55 University Avenue, Suite 710
Toronto, ON M5J 2H7
Tel: 647-730-0013
E-mail: vcooney@epcor.com

21. It is ENGLP's preference that this proceeding take place by way of a written hearing.

DATED at Toronto, Ontario, this 27th day of February, 2020.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Vince Cooney, P.Eng, MBA
Senior Manager, Regulatory Affairs, Ontario



OVERVIEW

1. The purpose of this evidence is to summarize EPCOR Natural Gas Limited Partnership's ("ENGLP") application for just and reasonable rates for its Aylmer operations to recover the costs associated with the federal Greenhouse Gas Pollution Pricing Act, S.C. 2019, c. 12, s. 186 (the "GGPPA") as a pass-through to customers.

2. The evidence is organized as follows:

Exhibit	Description
Exhibit A	Overview
Exhibit B	Customer Related Volumes and Costs
Exhibit C	Administrative Costs
Exhibit D	Deferral and Variance Accounts
Exhibit E	Cost Recovery

1.0 Background: the *Greenhouse Gas Pollution Pricing Act*

3. The GGPPA received Royal Assent on June 21, 2018. The purpose of the GGPPA is to impose a carbon pricing mechanism in provinces or territories where no such carbon pricing mechanism (e.g., a cap-and-trade system or carbon tax) has been put into place or where such mechanism does not meet national criteria. On October 23, 2018, the Government of Canada deemed Ontario to be a "listed province" that is subject to the GGPPA's carbon pricing mechanism.

4. The federal carbon pricing scheme implemented by the GGPPA features two main elements:

- (a) A charge applied to fossil fuels, generally paid by registered distributors (fuel producers and distributors), as set out in Part 1 of the GGPPA (the "Fuel Charge"); and
- (b) For larger industrial facilities, an output-based pricing system for emissions-intensive trade-exposed ("EITE") industries as set out in Part 2 of the GGPPA (the "OBPS"). The OBPS applies to facilities emitting 50,000 tonnes of carbon dioxide equivalent ("CO₂e") per year or more, with the ability for smaller EITE facilities that emit 10,000 CO₂e per year or more to voluntarily opt-in to the system over time.



5. The amount of the Fuel Charge for marketable natural gas is established under Schedule 2 of the GGPPA. The Fuel Charge increases annually until 2022, as set out below:

Year	Charge Cost \$ per m3
2019	0.0391
2020	0.0587
2021	0.0783
After 2021	0.0979

6. Subsection 55(1) of the GGPPA requires that all persons register with the Canada Revenue Agency (the “CRA”) for the purposes of Part 1 of the GGPPA (i.e., the Fuel Charge) if, *inter alia*:

- (a) The person delivers marketable natural gas or non-marketable natural gas to another person in a listed province; or
- (b) The person measures another person’s consumption or usage, in a listed province, of marketable natural gas and the measurement is done on a regular basis and for the purpose of billing the other person or providing the other person’s billing information to a third party, and the marketable natural gas is delivered by way of a distribution system.

7. “Marketable natural gas” is defined in section 3 of the GGPPA as “natural gas that consists of at least 90% methane and that meets the specifications for pipeline transport and sale for general distribution to the public.”

8. Consequently, ENGLP was required to register with the CRA as a distributor of marketable natural gas, and did so on February 27, 2019. ENGLP’s CRA account number under the program is 74396 8299 CT0001.

9. Subsection 171(1) of the GGPPA requires that persons responsible for a “covered facility” register with Environment and Climate Change Canada (“ECCC”) for the purposes of Part 2 of the GGPPA (i.e., the OBPS).

10. Unlike Enbridge Gas Distribution Inc. (“Enbridge”), ENGLP is not required to register as an “emitter” pursuant to section 57(1) of the GGPPA because ENGLP is not a person responsible for a “covered facility” (in Enbridge’s case, its “covered facilities” include its transmission system



and storage compressor stations). ENGLP has also confirmed with ECCC that it is not required to register as an “emitter” because its facility emissions are below 10,000 tonnes of CO₂e.

1.1 ENGLP’s obligations under the GGPPA

11. As a registered distributor, ENGLP is required under section 17(1) of the GGPPA to pay the Fuel Charge for volumes of natural gas delivered to its customers. Additionally, pursuant to section 18(1) of the GGPPA, ENGLP is required to pay the Fuel Charge for volumes of natural gas that it uses. These volumes delivered or used must be reported - and the corresponding Fuel Charge must be remitted – to the CRA on a monthly basis.

12. Ordinarily, Enbridge would be required to report and remit the Fuel Charge for volumes of natural gas sold to ENGLP. However, subsection 17(2) of the GGPPA deems that the Fuel Charge is not payable if the fuel is delivered to a person who holds an “exemption certificate” issued by the CRA pursuant to section 36(1) of the GGPPA (an “Exemption Certificate”). ENGLP obtained an Exemption Certificate as a registered distributor and has provided a copy to Enbridge, in accordance with the GGPPA.

13. Accordingly, ENGLP, in its capacity as a registered distributor, will be required to remit the 2020 Fuel Charge rate of \$0.0587/m³ of natural gas delivered to customers unless a customer provides ENGLP with an Exemption Certificate.

14. ENGLP will also be required to remit the 2020 Fuel Charge for natural gas used by ENGLP for its office building and natural gas vehicle (“NGV”) fleet.

1.2 Anticipated Costs of Compliance

1.2.1 Customer Charges

15. As outlined in Exhibit B, ENGLP forecasts the 2020 customer related costs (for the period from January 1, 2020 to December 31, 2020) associated with the GGPPA for its Aylmer, Ontario operations to be \$1,421,705. ENGLP will present these charges as a separate line item on customers’ bills. As set out in more detail in Exhibit E, ENGLP proposes a charge of 3.91 cents/m³ over volumes from January 1, 2020 to March 31, 2020, and a charge of 5.87 cents/m³ from April 1, 2020 to December 31, 2020. Subject to guidance from the OEB as discussed further below, ENGLP would prefer an interim order allowing EPCOR to commence charging the new rates as of April 1, 2020.



1.2.2 Company Use Volumes and Costs

16. As set out in Exhibit B, ENGLP forecasts the 2020 costs associated with company-use volumes for ENGLP's buildings and NGV fleet to be approximately \$2,350. As set out in more detail in Exhibit E, ENGLP proposes a volumetric charge of 0.0017 cents/m³ for all rate classes, including Rate 6, from January 1, 2020 to March 31, 2020 and a volumetric charge of 0.0027 cents/m³ from April 1, 2020 to December 31, 2020 for all rate classes, including Rate 6. The costs associated with these company-use volumes will be included in delivery charges on customers' bills.

17. It is not clear to ENGLP whether unaccounted-for gas ("UFG") is considered by the CRA to be "use" by a distributor. As was the case for its 2019 application¹, ENGLP has included UFG in its calculations, albeit at 0.0%, in the event that the CRA provides further guidance on UFG or otherwise requires ENGLP to report UFG in fuel volumes "used" by ENGLP as Company Use Volumes and remit the Fuel Charge accordingly. That is, for the purposes of its 2020 application, ENGLP continues to assume UFG to be zero.

1.2.3 Administrative Costs

18. As set out in Exhibit C, ENGLP forecasts the 2020 administrative costs to be \$70,850. As set out in Exhibit E, 2020 administrative costs will be recorded in the Greenhouse Gas Emissions Administration Deferral Account ("GGEADA") and disposed of in ENGLP's 2021 FCPP Application.

1.2.4 Upstream Costs

19. As outlined in its 2020 Federal Carbon Pricing Program application EB-2019-0247, Enbridge has applied for recovery of its Facility Carbon Charge costs from all customers regardless of whether the customer holds an Exemption Certificate. Enbridge further proposes to add the Facility Carbon Charge to its current approved delivery or transportation charges on customer's bills. Should Enbridge's proposals be approved by the OEB, ENGLP will incur additional upstream costs associated with Enbridge's Facility Carbon Charge costs in relation to ENGLP's M9 and Bundled T contracts with Enbridge.

¹ See also EB-2019-0101, Response to OEB-STAFF-4.



20. Any increased transportation or commodity costs from Enbridge in relation to the GGPPA have not been included in the costs identified in this Application.

21. Enbridge's Facility Carbon Charge costs are not currently included in ENGLP's transportation charges included in its distribution rates, as these costs were not included in the determination of ENGLP's Purchased Gas Transportation Variance Account ("PGTVA") reference price. Therefore, such costs will be captured in the PGTVA for customers in Rate 1 through 5. All costs, charges and fees incurred by ENGLP related to gas supplied by Enbridge to ENGLP's system for the customer in Rate 6 are a direct pass through to that customer and, therefore, any such increased costs will be invoiced to IGPC on a monthly basis, equal to the amount charged by Enbridge.

22. Any impacts to commodity costs as a result of the GGPPA will be recorded in the Purchased Gas Commodity Variance Account ("PGCVA") through the application of the rate differential between the current PGCVA reference price and the actual unit cost of the purchases to the actual volumes purchased. The PGCVA reference price will be adjusted through ENGLP's Quarterly Rate Adjustment Mechanism applications.

1.3 Customer Communications

23. ENGLP will utilize existing communication methods such as bill inserts, bill messaging and webpage content to provide information related to the GGPPA to its customers, including communication on the program and the associated changes to ENGLP bill.

APPROVALS REQUESTED

24. ENGLP proposes to treat all prudently-incurred costs of compliance with the GGPPA as a pass-through to customers. The Fuel Charge is the primary driver for the costs for which ENGLP seeks to recover and is established by the GGPPA.

25. Importantly, the Government of Canada's carbon pricing plan, including the GGPPA, contemplates the return of most of the proceeds collected in Ontario from the Fuel Charge to Ontario's individuals and families through "Climate Action Incentive Payments." In fact at the outset of the program, the Government of Canada stated that "most households in Ontario will receive more in Climate Action Incentive Payments than they incur in total costs resulting from



pollution pricing.”² As such, the Federal carbon pricing plan anticipates that the Fuel Charge will be passed on to consumers and consequently provides compensation through the Climate Action Incentive Payments.

26. ENGLP requests that the OEB issue orders granting the approvals requested on a final basis by March 23, 2020. Should the OEB determine that it is not possible to review and grant the approvals request by such date, ENGLP requests that the OEB grant approval of just and reasonable rates effective April 1, 2020 on an interim basis by March 23, 2020 including authority to continue to track costs for future recovery in the GGEADA, FCCCVA, and FCCFVA.
27. ENGLP submits that, if necessary, granting interim rates does not prejudice any party to this proceeding. In its most recent QRAM for its Aylmer operations, ENGLP’s rates were made interim pending a review of ENGLP’s gas supply plan update which is scheduled to be filed May 1, 2020.³
28. Given the importance of ENGLP’s obligations under the FCPP and considering the magnitude of the rate increases, it would be appropriate to avoid continued accumulation of unbilled and uncollected amounts from customers that could result in a larger impact on bills when such amounts are recovered from customers in the future.
29. ENGLP seeks an order (or orders) approving rates to be applied to customer bills effective April 1, 2019. Subject to further guidance from the Board, ENGLP proposes to record costs and variances resulting from compliance with the GGPPA using the three existing deferral and variance accounts established as part of the Cap and Trade proceeding, namely:
 - (a) Greenhouse Gas Emissions Administration Deferral Account effective January 1, 2019 (“GGEADA”);
 - (b) Federal Carbon Charge – Customer Variance Account effective April 1, 2019 (“FCCCVA”); and
 - (c) Federal Carbon Charge – Facility Variance Account effective April 1, 2019 (“FCCFVA”).

² The Government of Canada estimates the impacts as follows: “Under the federal system, the estimated average cost impact for a household in Ontario is \$244, in 2019, which is less than the average for Climate Action Incentive payments (\$300).” See “Ontario and pollution pricing”, Government of Canada: <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/ontario.html>

³ EB-2019-0288, Decision and Interim Order, dated December 23, 2019.



ADMINISTRATION

Relevant information is presented in the table below:

Table of Contents	Please See Exhibit A, Tab 1, Schedule 2
Application Primary Contact	Vince Cooney Senior Manager, Regulatory Affairs, Ontario Commercial Services EPCOR Utilities Inc. 55 University Avenue, Suite 710 Toronto, ON M5J 2H7 Tel: 647-730-0013 E-mail: vcooney@epcor.com
Legal Representation	Daniela O'Callaghan EPCOR Utilities Inc. 2000 – 10423-101 St. NW Edmonton, AB T5H 0E8 Tel: 780-412-4081 Fax: 780-441-7118 E-mail: docallaghan@epcor.com
Applicant's Website	https://www.epcor.com/about/news-announcements/notices/Pages/default.aspx
Bill Impacts	The bill impact for the year running from April 1, 2020 to March 31, 2021 for a typical residential customer with annual consumption of 1,780 m3 is an increase of \$34.91 per year over and above the existing carbon charge which took effect on April 1, 2019, and assuming the new charge is in effect from April 1, 2020 to March 31, 2021. (The bill impact excludes the impact of any deferral and variance account clearances for 2019 amounts. An evidence update in this proceeding will be provided when final audited balances are available, which will include proposed riders and associated bill impacts.)
Approvals Requested	<ul style="list-style-type: none">• an order or orders allowing ENGLP to charge customers a fuel charge on a volumetric basis, in the amount of the Fuel Charge required to be paid pursuant to the GGPPA, effective April 1, 2020• an order approving or fixing just and reasonable rates, effective April 1, 2020, to allow ENGLP to recover the other costs associated with compliance with the GGPPA



	<ul style="list-style-type: none">• an order clearing balances in certain deferral and variance accounts. An evidence update will be provided when final audited balances for these accounts are available.
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TABLE OF CONTENTS

EXHIBIT	TAB	SCHEDULE	SECTION	CONTENTS
A	1	1		Overview
			1.0	Background: the Greenhouse Gas Pollution Pricing Act
			1.1	ENGLP's obligations under the GGPPA
			1.2	Anticipated Costs of Compliance
			1.3	Customer Communications
				Approvals Requested
				Administration
B	1	1		2020 Forecasted Volumes and Volume Related Costs
			1.0	Forecasted Customer Related Volumes and Associated Costs
			1.1	Forecasted Facility Related Volumes and Associated Costs
B	2	1		Customer Related Volume Forecast
B	2	2		Facility Related Volume Forecast
B	2	3		Customer and Facility Related Costs
C	1	1		2020 Administration Costs
			1.0	Billing System Related Costs
			1.1	Staffing Resources
			1.2	Consulting and External Legal
			1.3	Bad Debt Expense
			1.4	Customer Communication
			1.5	Other Expenses
D	1	1		Greenhouse Gas Deferral and Variance Accounts
E	1	1		2020 Federal Carbon Pricing Program Cost Recovery
			1.0	Federal Carbon Charge
			1.1	Facility Carbon Charge
			1.2	Administration Costs
			1.3	Rate Schedule Changes
			1.4	Customer Bill Impacts
E	2	1		Federal Carbon Charge Unit Rate Details
E	2	2		Facility Carbon Charge Calculations
E	2	3		Summary of Federal Carbon Charge and Facility Carbon Charge
				Unit Rates by Rate Class
E	2	4		Summary of Customer Bill Impacts
E	2	5		Detailed Bill Impacts by Rate Class
E	3	1		Draft Rate Schedules



ENGLP 2020 FORECASTED VOLUMES AND VOLUME RELATED COSTS

1. This exhibit provides ENGLP's forecast of 2020 customer related and facility volumes and associated costs related to compliance with the GGPPA for its Aylmer operations. ENGLP is forecasting a total January 1, 2020 to December 31, 2020 volume of 28,166,194 m³ which results in a volume associated forecast total cost for 2020 of \$1,421,705. The existing federal carbon charge of 3.91 cents/m³ remains in effect until March 31, 2020. Therefore the associated forecast total cost for 2020 comprises three months at the existing federal carbon charge and 9 months at the new charge effective April 1, 2020.

1.0 Forecasted Customer Related Volumes and Associated Costs

2. For its Aylmer operations, ENGLP's 2020 forecasted customer related volumes subject to the GGPPA is 28,453,841 m³, excluding volumes related to customers holding valid exemption certificates, the adjusted forecasted customer related volumes is 28,166,194 m³. The forecast volumes are based on ENGLP's 2020 Cost of Service Application (EB-2018-0336) weather normalized load forecast prepared by Elenchus Research Associates Inc. The customer related volume is the sum of the forecast monthly volumes for the period from January 1, 2020 to March 31, 2020 at the existing charge of \$0.0391/m³, and from April 1, 2020 to December 31, 2020 at the rate of \$0.0587/m³. Paragraph 5 below provides additional detail with respect to exempt volumes.

3. Applying the 2020 Fuel Charge outlined in Exhibit A, Tab 1, Schedule 1, of \$0.0391/m³, this results in an associated forecast 2020 customer related cost of \$1,421,705. These forecasted costs are subject to change based on actual distribution volumes as customers continue to be charged \$0.0391/m³ until March 31, 2020, and will be charged the Fuel Charge of \$0.0587/m³ on a monthly basis based on actual billed volumes from April 1, 2020 to December 31, 2020¹ as noted in Exhibit E, Tab 1, Schedule 1.

4. ENGLP has received an Exemption Certificate for a Rate 6 customer (IGPC) and the volumes for this customer have been excluded from the customer related volume forecast.

¹ And continuing through to March 31, 2021.



5. ENGLP's current customer related volume forecast includes reduction (80%) for volumes delivered to commercial greenhouse operators based on the confirmed relief under the GGPPA for these customers². To date, ENGLP has received Exemption Certificates from six such customers. ENGLP has created a 2020 forecast for these six customers in total based on monthly consumption actuals from February 2019 through December 2019 and January 2020 actuals. The resulting forecast for these exempt facilities is 287,647 m³.

6. Detailed 2020 forecast distribution volumes subject to the Fuel Charge for all rate classes are provided in Exhibit B, Tab 2, Schedule 1, and the cost calculations are provided in Exhibit B, Tab 2, Schedule 3.

1.1 Forecasted Facility Related Volumes and Associated Costs

7. ENGLP's forecasted 2020 facility related volumes for its Aylmer operations subject to the GGPPA are 46,561 m³. Applying the 2020 Fuel Charge outlined in Exhibit A, Tab 1, Schedule 1, of \$0.0391/m³ from January 1, 2020 to March 31, 2020 and \$0.0587/m³ from April 1, 2020 to December 31, 2020, results in an associated forecast 2020 facility related cost of \$2,350, and a unit rate of 0.0027 cents/m³.

8. OEB staff submitted that the Facility Carbon Charge under Rate 6 should be a volumetric rate applied to actual monthly consumption, consistent with the OEB's Decision and Order and consistent with the treatment of all other customer rate classes.³ As such, Rate 6 attracts a facility charge of 0.0027 cents/m³.

9. ENGLP's facilities related volumes are composed of company-use volumes for i) unaccounted for gas (UFG), ii) distribution buildings, and iii) natural gas vehicles (NGV). As noted in Exhibit A, Tab 1, Schedule 1, EPCOR has included UFG in its calculations as it is not clear to ENGLP whether UFG is considered by the CRA to be "use" by a distributor. ENGLP has included UFG in its forecasted 2020 facility related volumes at 0.0%, consistent with the historical deemed UFG for the system for the purposes of setting rates. Consequently, \$0 is included for UFG in the facility related cost estimate for 2020. However, in the event that the CRA provides

² By way of regulation, the Department of Finance Canada confirmed on March 19, 2019 that greenhouse operators will receive partial relief of 80% of the Federal Carbon Charge for natural gas used in the operation of a commercial greenhouse provided they file for the necessary exemptions.

³ EB-2019-0101, Board Staff Submission, July 29, 2019.



further guidance on UFG or otherwise requires ENGLP to report UFG in fuel volumes “used” and remit the Fuel Charge accordingly, these costs will be included in ENGLP’s facility related costs.

10. Detailed 2020 forecasted facility related volumes subject to the Fuel Charge are provided in Exhibit B, Tab 2, Schedule 2, and the cost calculations are provided in Exhibit B, Tab 2, Schedule 3.



Customer Related Volume Forecast - January 1, 2020 to December 31, 2020

Line No.	Rate Class	Forecast Volume m3
1	Rate 1	23,641,908
2	Rate 2	1,293,047
3	Rate 3	1,721,684
4	Rate 4	1,144,629
5	Rate 5	652,573
		<hr/> 28,453,841
OBPS Participant & Other Exempt Volumes		
6	Jan 1 to Mar 31, 2020	120,812
7	Apr 1 to Dec 31, 2020	166,835
8	Total	<hr/> 287,647 (1)
9	Net Volumes	28,166,194
10	Net Volumes Jan 1 to Mar 31, 2020	11,818,908 (2)
11	Net Volumes Apr 1 to Dec 1, 2020	16,347,285 (3)
12	Total	28,166,194

Notes:

(1) There are six exemption certificates held for eligible greenhouses, three in Rate 1, and three are Rate 2. It is necessary to assume the exempt volumes fall in to one of two periods. It is assumed that these volumes share the same profile as the entire forecast volume for 2020. Therefore, have assumed 42% of volumes on or before March 31, 2020, and 58% of volumes on or after April 1, 2020.

(2) Sum of all volumes January 1 – March 31, 2020 in Elenchus Forecast, less row 6.

(3) Sum of all volumes April 1 – December 31, 2020 in Elenchus Forecast, less row 7.



Facility-Related Volume Forecast - January 1, 2020 to December 31, 2020

Line No.	Particulars	Forecast Volume
1	Unaccounted For Gas 0.00%	0
2	Company Use Buildings	8,245
3	Company Use NGV	38,316
Total Facility-Related		46,561

Note: volume forecast for facilities has been adjusted to account for volumes consumed between January 1 and March 31, 2020. In the 2019 application the forecast was for a 9 month period starting April 1, at the outset of the Federal Carbon Charge Program.



Customer and Facility-Related Costs - January 1, 2020 to December 31, 2020

Line No.	Particulars	Period	2020 Forecast
Customer-Related Costs			
1	Customer-Related Forecast Volume	Jan 1, 2020 to Mar 31, 2020	11,818,908 (1)
2	Federal Carbon Charge (\$/m3)		0.0391
3	Customer-Related Forecast Volume	Apr 1, 2020 to Dec 31, 2020	16,347,285 (2)
4	Federal Carbon Charge (\$/m3)		0.0587
5	Total Customer-Related Costs (\$)		1,421,705
Facility-Related Costs			
6	Facility-Related Forecast Volume	Jan 1, 2020 to Mar 31, 2020	19,555
7	Federal Carbon Charge (\$/m3)		0.0391
8	Facility-Related Forecast Volume	Apr 1, 2020 to Dec 31, 2020	27,005
9	Federal Carbon Charge (\$/m3)		0.0587
10	Total Facility-Related Costs (\$)		2,350
11	Total Cost Forecast		1,424,055

(1) Exhibit B, Tab 2, Schedule 1,
Line 8.

(2) Exhibit B, Tab 2, Schedule 1,
Line 9.



2020 ADMINISTRATION COSTS

1. This Exhibit outlines ENGLP's forecasted administration costs for 2020 associated with the GGPPA for its Aylmer operations. As noted in Table C-1, ENGLP's forecast for administration costs related to the GGPPA for 2020 is \$70,850. More information on each of the expense items is provided below.
2. ENGLP has provided a forecast of the 2020 administration costs and listed the expected components comprising the administration costs in this Application for informational purposes only.
3. ENGLP has recorded actual costs incurred in the existing Greenhouse Gas Emissions Administration Deferral Account ("GGEADA") as described at Exhibit D and will seek recovery of its 2019 actual administration costs related to the GGPPA in this proceeding. Forecasted GGPPA Related Administration Costs for 2020 are included in the table below.

Table C-1
Forecasted 2020 GGPPA Related Administration Costs
(\$)

Expense Category	2020 Forecasted¹	2019 per Application²
1 Billing System Costs	1,000	2,500
2 Staffing Resources	45,200	50,900
3 Consulting and External Legal	12,000	46,000
4 Bad Debt Expense	5,000	2,300
5 Customer Communication	2,550	2,500
6 Other	5,100	5,000
7 Total	70,850	109,200

1.0 Billing System Related Costs

4. ENGLP forecasts to incur \$1,000 in costs related to implementation of the charges in the billing system. This represents a decrease from 2019 forecast. Actual billing system costs incurred

¹ 12 month period.

² 9 month period.



including costs to develop, test and implement any required modifications to the system will be recorded in the GGEIDA as incurred.

1.1 Staffing Resources

5. In 2019, ENGLP retained Blackstone Energy Services to provide a number of services related to ENGLP's Aylmer operations' compliance under the former Ontario Cap and Trade Program including reporting, preparation of the annual compliance plan and auction participation. As the compliance requirements of the GGPPA are currently more simplified than under the Cap and Trade program, ENGLP anticipates it will be able to complete the management, coordination and reporting for the GGPPA using resources internal to EPCOR Utilities Inc.

6. In order to resource these requirements for 2019, ENGLP required one-half of a position at an estimated cost of \$68,000 per calendar year. The costs for this position for April 2019 through December 2019 was included in the forecasted 2019 costs. This position will complete reporting and manage customer exemptions and other aspects of the program. The costs related to this position were not captured in the costs on which ENGLP's 2020-2024 rates were based. As the remainder of the capacity of this resource is not currently needed to support ENGLP, this position will be a shared resource residing in ENGLP's affiliate EPCOR Ontario Utilities Inc. These services remain subject to a Service Level Agreement between the two parties and the costs will be determined on a cost recovery basis in accordance with the Affiliate Relationship Code for Gas Utilities ("ARC") and ENGLP's ARC Compliance Plan.

7. For 2020, ENGLP performs the majority of preparation of the application, reporting requirements, management of customer exemptions and other aspects of the program through Aylmer operations staff and internal resources hired in 2019. As such ENGLP now estimates the cost of administration at one-third of one position (0.33 FTE) at an estimated cost of \$45,200. The position remains a shared resource residing in ENGLP's affiliate EPCOR Ontario Utilities Inc. The costs are determined on a cost recovery basis and tracked accordingly and in a manner compliant with ARC as described previously.

1.2 Consulting and External Legal

8. ENGLP estimates it will incur fees of \$5,000 for external legal support related to the GGPPA in 2020. Limited external legal support will be required in support ENGLP's regulatory filings on this matter, as well as for any review and interpretation of changes to regulations which



may arise associated with the GGPPA or other provincial and federal GHG or carbon pricing programs.

9. As noted above, ENGLP expects to be able to complete the management, coordination and reporting for the GGPPA using internal resources rather than sourcing the services of Blackstone Energy Services Inc. Processes are now developed and the position is filled internally. ENGLP forecasts \$0 for Blackstone Energy Services for 2020. However, in the event that, in the course of this proceeding ENGLP requires expert knowledge or services, ENGLP has forecasted fees of \$2,000 for consulting for this purpose.

10. With respect to external costs related to reporting and verification, ENGLP does not currently have any verification obligations under the GGPPA. However, the cost of audit activities with respect to relevant accounts and volumes on behalf of ENGLP's Aylmer operations by ENGLP Aylmer's parent is estimated at \$5,000.

11. The Ontario Ministry of Environment issued a notice on February 6, 2019 proposing to streamline the reporting requirements under Ontario's greenhouse gas emissions reporting program, including the removal of mandatory reporting and verification for natural gas distributors for the emissions from fuel they sell.

12. Actual external legal, consulting or third party verification costs incurred in relation to the GGPPA or other provincial or federal GHG or carbon pricing programs will be recorded in the GGEIDA as incurred.

1.3 Bad Debt Expense

13. ENGLP estimates that it will incur approximately \$5,000 in incremental bad debt expenses in 2020 based on the expected percentage increase in amounts to be billed for recovery from customers as a result of the GGPPA. The actual customer account balances that are written off related to the GGPPA associated charges will be included in the GGEIDA.

1.4 Customer Communication

14. ENGLP is forecasting to incur \$2,550 in 2020 for its Aylmer operations related to customer communication for the GGPPA. ENGLP will utilize existing communication methods such as bill



inserts, bill messaging and webpage content to provide information related to the GGPPA to its customers, including communication on the program and the associated changes to ENGLP bill.

1.5 Other Expenses

15. ENGLP expects to incur approximately \$5,100 in 2020 in other expenses related to attendance for relevant conferences or training to ensure directly impacted staff understand and remain informed on the GGPPA.



ENGLP GREENHOUSE GAS DEFERRAL AND VARIANCE ACCOUNTS

1. The purpose of this exhibit is to summarize existing deferral/variance accounts for use associated with ENGLP's compliance with the GGPPA for its Aylmer operations.
2. ENGLP is proposing continued use of its existing Greenhouse Gas ("GHG") and Federal Carbon Charge related deferral and variance accounts to record the costs related to its obligations under the GGPPA in 2020 and future years.
3. ENGLP currently has three existing GHG related deferral/variance accounts:
 - Greenhouse Gas Emissions Administration Deferral Account effective January 1, 2019 ("GGEADA") (Account No. 179.60);
 - Federal Carbon Charge – Customer Variance Account effective April 1, 2019 ("FCCCVA") (Account No. 179.62); and
 - Federal Carbon Charge – Facility Variance Account effective April 1, 2019 ("FCCFVA") (Account No. 179.64).
4. ENGLP is proposing to dispose of the 2019 final balances in the GGEADA, FCCCVA and FCCFVA. In observance of the OEB's Decision on Enbridge Gas Inc. 2020 FCCP Application (EB-2019-0247), the balances for disposition will be provided in March 2020 when final audited balances are available to ENGLP.
5. ENGLP will make its proposal for duration and allocation for disposition of the 2019 balances when filing an update to evidence in this proceeding.
6. The above three accounts were established through the Board's Interim Decision and Order for EB-2019-0101 dated April 1, 2019. The purpose of these accounts is to record the differences between ENGLP's actual costs for its Aylmer operations associated with the obligations resulting from federal and/or provincial regulations related to GHG emission requirements and the amounts recovered in the rates approved by the Board.
7. The three deferral accounts are described in ENGLP's Accounting Order submission dated April 3, 2019.
8. The purpose of the GGEADA is to record ENGLP's administrative costs associated with its obligations under federal and/or provincial regulations related to GHG emission requirements,



the FCCCVA addresses costs related to the obligations arising from natural gas ENGLP delivers to its customers while the FCCFVA addresses costs arising from the obligations related to ENGLP's facilities.

9. ENGLP records simple interest is calculated on the GGEADA, FCCCVA, and FCCFVA balances, at the applicable Board approved short-term interest rate, on the monthly opening balances using the interest rate methodology as approved in EB-2006-0117.

10. ENGLP is requesting approval for the continued use of the existing GHG deferral/variance accounts to ensure compliance with the GGPPA in 2020 and beyond for its Aylmer operation and is specifically requesting:

- To use the existing GGEADA account (Account No. 179-60) to record the administrative costs associated with the impacts of the GGPPA, as well as any other federal and/or provincial regulations related to GHG emission requirements for ENGLP's Aylmer operation effective January 1, 2019;
- To use the existing FCCCVA (Account No. 179-62) to record the variances between actual customer carbon costs and customer carbon costs recovered in rates for distribution volumes delivered by ENGLP effective April 1, 2019¹.
- To use the existing FCCFVA (Account No. 179-64) to record the variances between actual facility carbon costs and facility carbon costs recovered in rates effective April 1, 2019.

11. ENGLP notes that, in its Interim Decision and Order on Enbridge's 2020 FCCP Application, the Board has advised Enbridge to file final audited balances through December 31, 2019 for consideration of disposition², which seems to suggest a preference for distributors to file after the close of a given rate year, and not with a mix of actuals and forecast for disposition.

12. The allocation and disposition of the 2020 account balances related to the Federal GGPPA will be addressed in ENGLP's 2021 FCCP application.

¹ Except for exempted customers as described in Exhibit A

² EB-2019-0247, Interim Decision and Order, February 11, 2020, at page 8.



2020 FEDERAL CARBON PRICING PROGRAM COST RECOVERY

1. This exhibit provides details of ENGLP's proposed recovery of the forecasted 2020 costs related to the GGPPA, outlining ENGLP's proposal to incorporate the impacts of the GGPPA described in Exhibit B, Tab 1, Schedule 1 of this Application into the rates for its Aylmer operations effective April 1, 2020.
2. The GGPPA requires ENGLP to remit the Fuel Charge for both volumes delivered to customers and for company-use volumes. These costs will be recovered from customers through the flow through of the Fuel Charge as the Federal Carbon Charge and the inclusion of a Facility Carbon Charge in distribution rates as outlined below.
3. To incorporate the impacts of the GGPPA and as outlined in this Application into rates, effective April 1, 2020 ENGLP requests approval to change the Federal Carbon Charge and change the Facility Carbon Charge in the monthly delivery charge for Rates 1 through 5, and to change the volumetric charge for Rate 6. As outlined in Exhibit C, ENGLP proposes to record actual associated administrative costs incurred in a deferral account and will seek recovery of its actual administration costs related to the GGPPA for 2020 in a future proceeding. ENGLP seeks recovery of its actual administration costs related to the GGPPA for 2019 in the immediate proceeding and will provide this as part of an evidence update once final audited balances for 2019 are available. ENGLP expects to be able to provide this information in early March 2020.
4. ENGLP's proposals for the Federal Carbon Charge, Facility Carbon Charge and Administration costs are detailed in the Sections below. The requested rate schedule changes and customer bill impacts are provided in Sections 1.3 and 1.4 respectively.

1.0 Federal Carbon Charge

5. ENGLP proposes to recover the Fuel Charge for 2019 through the implementation of a Federal Carbon Charge of 5.8700 cents/m³ for customers in Rates 1 through 5 beginning April 1, 2019. The 5.8700 cents/m³ is as established by Environment and Climate Change Canada under Schedule 2 of the GGPPA as described at Exhibit A.



6. As noted in Exhibit B, Tab 1, Schedule 1, ENGLP has received an Exemption Certificate for a Rate 6 customer (IGPC), as an OBPS qualified customer, and these volumes have been excluded from the calculation of the Federal Carbon Charge. OBPS-qualified customers with emissions exceeding 10 ktCO₂ e (assuming the registration of all voluntary participants), and customers that undertake a non-covered activity (e.g. facilities that use natural gas as a process feedstock) will not be charged the Federal Carbon Charge.

7. A further six customers have filed exemptions with ENGLP and ENGLP will charge these eligible commercial greenhouse customers 20% of the Federal Carbon Charge, resulting in 80% greenhouse relief.

8. ENGLP proposes to continue the Federal Carbon Charge as a separate line item on customers' bills.

9. ENGLP will track the difference between the Federal Carbon Charge amount collected through rates and the actual Fuel Charge remitted to the CRA for customer related volumes in the FCCCCVA as described in Exhibit D, Tab 1, Schedule 1.

10. The Federal Carbon Charge customer-related forecast volumes and costs by rate class for the January 1, 2020 to March 31, 2020 and April 1, 2020 to December 31, 2020 period is provided at Exhibit E, Tab 2, Schedule 1.

1.1 Facility Carbon Charge

11. ENGLP will incur costs of compliance with the GGPPA that are associated with the operation of the distribution system. Facility Carbon Charge costs are expected for company use volumes (unaccounted for gas, distribution buildings, and NGV fleet volumes). All customers in each rate class will be responsible for the Facility Carbon Charge costs, regardless of whether the customer is exempt from the Federal Carbon Charge. ENGLP proposes to continue to show the Facility Carbon Charge with other current approved charges on customers' bills.

12. ENGLP proposes to recover Facility Carbon Charge costs from all customers beginning April 1, 2020 using a volumetric charge of 0.0027 cents/ m³. The proposed Facility Carbon Charge will be added to the current approved delivery charge for each rate class.



13. ENGLP proposes to recover Facility Carbon Charge costs from the customer in Rate 6 beginning April 1, 2020 using a volumetric charge of \$0.0027 per m³. The proposed volumetric Facility Carbon Charge for Rate 6, in this application, will be collected in addition to the current approved monthly fixed charges for this customer.

14. The Facility Carbon Charge forecast volumes and costs for 2020 and the determination of the proposed volumetric rate for Rates 1 through 5 as well as the volumetric rate for Rate 6 is provided at Exhibit E, Tab 2, Schedule 2.

1.2 Administration Costs

15. ENGLP is not proposing to include the administration costs associated with the implementation and administration of the GGPPA in 2020 rates. The administration costs incurred in 2020 will be recorded in the existing GGEADA, and will be disposed of as part of a future proceeding, as described in Exhibit C, Tab 1, Schedule 1.

16. As noted earlier, ENGLP seeks recovery of its actual administration costs related to the GGPPA for 2019 in the immediate proceeding and will provide this as part of an evidence update once final audited balances for 2019 are available. ENGLP expects to be able to provide this information in March 2020.

1.3 Rate Schedule Changes

17. ENGLP will separately identify the Federal Carbon Charge as a new line item on customers' bills for all customer rate classes (Rate 1 through Rate 6). The Facility Carbon Charge will be embedded in the delivery or transportation charges on customer bills for Rate 1 through Rate 5. For Rate 6, ENGLP proposes that the Facility Carbon Charge be embedded in the fixed monthly charge.

18. A summary of the Federal Carbon Charge and Facility Carbon Charge unit rates by rate class for the January 1, 2020 to December 31, 2020 period is provided at Exhibit E, Tab 2, Schedule 3.

19. ENGLP has updated its rate schedules for its Aylmer operations to incorporate the impacts of the Application within each rate schedule including the changes to the Federal Carbon Charge,



and the changes to the Facility Carbon Charge in the current approved delivery or volumetric rate as applicable.

20. Draft Rate Schedules incorporating these changes are included in Exhibit E, Tab 3, Schedule 1.

1.4 Customer Bill Impacts

21. The bill impact for a typical residential customer with annual consumption of 1,780 m³ is an increase of \$34.91 per year¹ over and above the existing federal carbon charges on customer bills, reflecting the increase to the federal GHG rates. Exhibit E, Tab 2, Schedule 4 provides a summary of the customer bill impacts for each rate class. Detailed bill impacts for a typical customer in each rate class are provided in Exhibit E, Tab 2, Schedule 5.

¹ For ease of comparison, the year period examined starts April 1, 2020 and ends on March 31, 2021.



FEDERAL CARBON CHARGE UNIT RATE DETAILS

Table 1 - January 1, 2020 - March 31, 2020

	<u>Cost Recovery</u>	Col 1	Col. 2	Col. 3	Col.4	Col. 5
Line No.	Customer Rate	Net Volume ¹	Federal Carbon Charge ²	Federal Carbon Cost ³	Recovery Net Volumes ⁴	Federal Carbon Chg Unit Rate ⁵
		m ³	\$/m ³	\$	m ³	cents/m ³
1	Rate 1	11,102,217	0.0391	434,097	11,102,217	
2	Rate 2	44,740	0.0391	1,749	44,740	
3	Rate 3	742,642	0.0391	29,037	742,642	
4	Rate 4	42,061	0.0391	1,645	42,061	
5	Rate 5	8,060	0.0391	315	8,060	
6	Rate 6	-	-	-	-	
7				466,843	11,939,720	3.9100
	Exempt Volumes	120,812	0.0391	4,724	120,812	
	Federal Carbon Cost January 1 to March 31, 2020			462,119		



Table 2 - April 1, 2020 - December 31, 2020

Line No.	<u>Cost Recovery</u>	Col 1	Col. 2	Col. 3	Col.4	Col. 5
	Customer Rate	Net Volume ¹	Federal Carbon Charge ²	Federal Carbon Cost ³	Recovery Net Volumes ⁴	Federal Carbon Chg Unit Rate ⁵
			\$/m ³	\$	m ³	cents/m ³
1	Rate 1	12,539,691	0.0587	736,080	12,539,691	
2	Rate 2	1,248,307	0.0587	73,276	1,248,307	
3	Rate 3	979,042	0.0587	57,470	979,042	
4	Rate 4	1,102,568	0.0587	64,721	1,102,568	
5	Rate 5	644,513	0.0587	37,833	644,513	
6	Rate 6	-	-	-	-	
7				969,379	16,514,121	5.8700
	Exempt Volumes	166,835	0.0587	9,793	166,835	
	Federal Carbon Cost from April 1, 2020 to December 31, 2020			959,586		
Total, both rate periods				1,421,705		

(1) Exhibit B, Tab 2, Schedule 2

(2) Exhibit B, Tab 2, Schedule 2

(3) Col. 1 x Col. 2

(4) Table 1 - Recovery volume for period from January 1, 2020 to March 31, 2020 per Elenchus 2020 Forecast. Table 2- Recovery volume for period from April 1, 2020 to December 31, 2020.

(5) Col. 3 / Col.4 x 100



FACILITY CARBON CHARGE CALCULATIONS

		Col 1	Col. 2A	Col. 2B	Col. 3	Col.4	Col. 5
Line No.		Net Volume ¹ m ³	Federal Carbon Charge ² \$/m ³	Federal Carbon Charge ²	Federal Carbon Cost ³ \$	Recovery Net Volumes ⁴ m ³	Federal Carbon Chg Unit Rate ⁵ cents/m ³
1	Company Use						
2	Unaccounted For Gas	-	0.0391	0.0587	-		
3	Buildings	8,245	0.0391	0.0587	416		
4	NGV Fleet	<u>38,316</u>	0.0391	0.0587	<u>1,934</u>		
5	Unit Rate	46,561			2,350	87,697,716	0.0027
6							

(1) Exhibit B, Tab 2, Schedule 1

(2) Exhibit B, Tab 2, Schedule 3, Lines 2 and 4

(3) Col. 1 x 0.42 x Col. 2A + Col. 1 x 0.58 x Col. 2B

(4) Recovery volume for period from January 1, 2020 to December 31, 2020, inclusive of Rate 6 (IGPC).

(5) Col. 3 / Col.4 x 100

Facility Charge for Rate 6		Col 1 Volume m ³	Col. 2 Unit Rate cents/m ³
7	Rate 6 (IGPC)	59,243,976	0.0027



**SUMMARY OF FEDERAL CARBON CHARGE AND FACILITY CARBON CHARGE UNIT
RATES BY RATE CLASS**

ENGLP

2020 Carbon Charge Unit Rate by Rate Class (January 1, 2020 to March 31, 2020)

Rate Class	Charge	Unit	Rate
Rate 1	Federal Carbon Charge (if applicable)	cents / m ³	3.9100
	Facility Carbon Charge	cents / m ³	0.0017
Rate 2	Federal Carbon Charge (if applicable)	cents / m ³	3.9100
	Facility Carbon Charge	cents / m ³	0.0017
Rate 3	Federal Carbon Charge (if applicable)	cents / m ³	3.9100
	Facility Carbon Charge	cents / m ³	0.0017
Rate 4	Federal Carbon Charge (if applicable)	cents / m ³	3.9100
	Facility Carbon Charge	cents / m ³	0.0017
Rate 5	Federal Carbon Charge (if applicable)	cents / m ³	3.9100
	Facility Carbon Charge	cents / m ³	0.0017
Rate 6	Facility Carbon Charge	cents / m ³	0.0017

2020 Carbon Charge Unit Rate by Rate Class (April 1, 2020 to December 31, 2020)

Rate Class	Charge	Unit	Rate
Rate 1	Federal Carbon Charge (if applicable)	cents / m ³	5.8700
	Facility Carbon Charge	cents / m ³	0.0027
Rate 2	Federal Carbon Charge (if applicable)	cents / m ³	5.8700
	Facility Carbon Charge	cents / m ³	0.0027
Rate 3	Federal Carbon Charge (if applicable)	cents / m ³	5.8700
	Facility Carbon Charge	cents / m ³	0.0027
Rate 4	Federal Carbon Charge (if applicable)	cents / m ³	5.8700
	Facility Carbon Charge	cents / m ³	0.0027
Rate 5	Federal Carbon Charge (if applicable)	cents / m ³	5.8700
	Facility Carbon Charge	cents / m ³	0.0027
Rate 6	Facility Carbon Charge	cents / m ³	0.0027



SUMMARY OF CUSTOMER BILL IMPACTS

Rate Class	Annual Bill Current Rates	Annual Bill Proposed Rates	Change (\$)	Change (%)
Rate 1 Residential	780.71	815.62	34.91	4.47%
Rate 1 Commercial	1,499.91	1,579.36	79.45	5.30%
Rate 1 Industrial	4,071.00	4,312.04	241.04	5.92%
Rate 2	5,171.90	5,452.34	280.44	5.42%
Rate 3	114,682.44	116,995.42	2,312.98	2.02%
Rate 4	5,468.13	5,789.67	321.54	5.88%
Rate 5	47,326.41	50,667.33	3,340.92	7.06%
Rate 6	920,744.93	921,337.37	592.44	0.06%



Table 1
Detailed Bill Impacts Rate 1 – Residential (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	17.50	17.50	210.00	210.00	0.00	0.00%
2 Tier 1 Rate (first 1,000 m3's)	cents / m3	1,780	13.3814	13.3814	238.22	238.22	0.00	0.00%
3 Tier 2 Rate (> 1,000 m3's)	cents / m3	0	10.7275	10.7275	0.00	0.00	0.00	0.00%
4 Delivery Rates					448.22	448.22	0.00	0.00%
5 PGTVA Rate Rider	cents / m3	1,780	0.1280	0.1280	2.28	2.28	0.00	0.00%
6 Federal Carbon Charge (if appl.)	cents / m3	1,780	3.9100	5.8700	69.61	104.50	34.89	50.13%
7 Facility Charge	cents / m3	1,780	0.0017	0.0027	0.03	0.05	0.02	58.82%
8 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
9 Total Bill Excluding System Gas Fee					527.16	562.07	34.91	6.62%
10 Commodity	cents / m3	1,780	14.1988	14.1988	252.77	252.77	0.00	0.00%
11 System Gas Fee	cents / m3	1,780	0.0435	0.0435	0.77	0.77	0.00	0.00%
12 Total Bill					780.71	815.62	34.91	4.47%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 2
Detailed Bill Impacts Rate 1 - Commercial (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	17.50	17.50	210.00	210.00	0.00	0.00%
2 Tier 1 Rate (first 1,000 m3's)	cents / m3	4,052	13.3814	13.3814	542.16	542.16	0.00	0.00%
3 Tier 2 Rate (> 1,000 m3's)	cents / m3	0	10.7275	10.7275	0.00	0.00	0.00	0.00%
4 Delivery Rates					752.16	752.16	0.00	0.00%
5 PGTVA Rate Rider	cents / m3	4,052	0.1280	0.1280	5.19	5.19	0.00	0.00%
6 Federal Carbon Charge (if appl.)	cents / m3	4,052	3.9100	5.8700	158.42	237.83	79.41	50.13%
7 Facility Charge	cents / m3	4,052	0.0017	0.0027	0.07	0.11	0.04	58.82%
8 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
9 Total Bill Excluding System Gas Fee					922.87	1,002.32	79.45	8.61%
10 Commodity	cents / m3	4,052	14.1988	14.1988	575.28	575.28	0.00	0.00%
11 System Gas Fee	cents / m3	4,052	0.0435	0.0435	1.76	1.76	0.00	0.00%
12 Total Bill					1,499.91	1,579.36	79.45	5.30%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 3
Detailed Bill Impacts Rate 1 - Industrial (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	17.50	17.50	210.00	210.00	0.00	0.00%
2 Tier 1 Rate (first 1,000 m3's)	cents / m3	10,860	13.3814	13.3814	1,453.26	1,453.26	0.00	0.00%
3 Tier 2 Rate (> 1,000 m3's)	cents / m3	1,431	10.7275	10.7275	153.55	153.55	0.00	0.00%
4 Delivery Rates					1,816.81	1,816.81	0.00	0.00%
5 PGTVA Rate Rider	cents / m3	12,292	0.1280	0.1280	15.74	15.74	0.00	0.00%
6 Federal Carbon Charge (if appl.)	cents / m3	12,292	3.9100	5.8700	480.60	721.52	240.92	50.13%
7 Facility Charge	cents / m3	12,292	0.0017	0.0027	0.21	0.33	0.12	58.82%
8 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
9 Total Bill Excluding System Gas Fee					2,320.39	2,561.43	241.04	10.39%
10 Commodity	cents / m3	12,292	14.1988	14.1988	1,745.27	1,745.27	0.00	0.00%
11 System Gas Fee	cents / m3	12,292	0.0435	0.0435	5.35	5.35	0.00	0.00%
12 Total Bill					4,071.00	4,312.04	241.04	5.92%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 4
Detailed Bill Impacts Rate 2 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate April - October	\$ / month	12	21.00	21.00	252.00	252.00	0.00	0.00%
2 Tier 1 (First 1,000 m3 per month)	cents / m3	431	16.5854	16.5854	71.50	71.50	0.00	0.00%
3 Tier 2 (Next 24,000 m3 per month)	cents / m3	0	9.4826	9.4826	0.00	0.00	0.00	0.00%
4 Tier 3 (Over 25,000 m3 per month)	cents / m3	0	6.1698	6.1698	0.00	0.00	0.00	0.00%
November - March								
5 Tier 1 (First 1,000 m3 per month)	cents / m3	3,832	20.9056	20.9056	801.11	801.11	0.00	0.00%
6 Tier 2 (Next 24,000 m3 per month)	cents / m3	10,037	14.2049	14.2049	1,425.81	1,425.81	0.00	0.00%
7 Tier 3 (Over 25,000 m3 per month)	cents / m3	0	15.2899	15.2899	0.00	0.00	0.00	0.00%
8 Delivery Rates					2,550.43	2,550.43	0.00	0.00%
9 Federal Carbon Charge (if appl.)	cents / m3	14,301	3.9100	5.8700	559.15	839.45	280.29	50.13%
10 Facility Charge	cents / m3	14,301	0.0017	0.0027	0.24	0.39	0.14	58.82%
11 PGTVA Rate Rider	cents / m3	14,301	0.1280	0.1280	18.31	18.31	0.00	0.00%
12 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
13 Total Bill Excluding System Gas Fee					3,135.16	3,415.60	0.00	8.94%
14 Commodity	cents / m3	14,301	14.1988	14.1988	2,030.52	2,030.52	0.00	0.00%
15 System Gas Fee	cents / m3	14,301	0.0435	0.0435	6.22	6.22	0.00	0.00%
16 Total Bill					5,171.90	5,452.34	0.00	5.42%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 5
Detailed Bill Impacts Rate 3 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	201.00	201.00	2,412.00	2,412.00	0.00	0.00%
2 Firm Demand	cents / m3 / month	297,114	29.0974	29.0974	86,452.45	86,452.45	0.00	0.00%
3 Firm Delivery	cents / m3	117,949	3.6011	3.6011	4,247.47	4,247.47	0.00	0.00%
4 Delivery Rates					93,111.91	93,111.91	0.00	0.00%
5 Federal Carbon Charge (if appl.)	cents / m3	117,949	3.9100	5.8700	4,611.81	6,923.61	2,311.80	50.13%
6 Facility Charge	cents / m3	117,949	0.0017	0.0027	2.01	3.18	1.18	58.82%
7 PGTVA Rate Rider	cents / m3	117,949	0.1280	0.1280	151.01	151.01	0.00	0.00%
8 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
9 Total Bill Excluding System Gas Fee					97,883.77	100,196.75	2,312.98	2.36%
10 Commodity	cents / m3	117,949	14.1988	14.1988	16,747.36	16,747.36	0.00	0.00%
11 System Gas Fee	cents / m3	117,949	0.0435	0.0435	51.32	51.32	0.00	0.00%
12 Total Bill					114,682.44	116,995.42	2,312.98	2.02%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 6
Detailed Bill Impacts Rate 4 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	21.00	21.00	252.00	252.00	0.00	0.00%
2 April - December								
3 Block 1 (First 1,000 m ³ per month)	cents / m3	1,717	18.2634	18.2634	313.66	313.66	0.00	0.00%
4 Block 2 (Over 1,000 m ³ per month)	cents / m3	11,740	11.2057	11.2057	1,315.50	1,315.50	0.00	0.00%
5 January - March								
6 Block 1 (First 1,000 m ³ per month)	cents / m3	1,000	23.2990	23.2990	232.99	232.99	0.00	0.00%
7 Block 2 (Over 1,000 m ³ per month)	cents / m3	1,940	18.0040	18.0040	349.26	349.26	0.00	0.00%
8 Delivery Rates					2,463.41	2,463.41	0.00	0.00%
9 Federal Carbon Charge (if appl.)	cents / m3	16,397	3.9100	5.8700	641.12	962.50	321.38	50.13%
10 Facility Charge	cents / m3	16,397	0.0017	0.0027	0.28	0.44	0.16	58.82%
11 PGTVA Rate Rider	cents / m3	16,397	0.1280	0.1280	20.99	20.99	0.00	0.00%
12 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
13 Total Bill Excluding System Gas Fee					3,132.83	3,454.38	321.54	10.26%
14 Commodity	cents / m3	16,397	14.1988	14.1988	2,328.16	2,328.16	0.00	0.00%
15 System Gas Fee	cents / m3	16,397	0.0435	0.0435	7.13	7.13	0.00	0.00%
16 Total Bill					5,468.13	5,789.67	321.54	5.88%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 7
Detailed Bill Impacts Rate 5 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	191.00	191.00	2,292.00	2,292.00	0.00	0.00%
2 Firm Delivery	cents / m3	170,368	8.1474	8.1474	13,880.62	13,880.62	0.00	0.00%
3 Delivery Rates					16,172.62	16,172.62	0.00	0.00%
4 Federal Carbon Charge (if appl.)	cents / m3	170,368	3.9100	5.8700	6,661.39	10,000.61	3,339.21	50.13%
5 Facility Charge	cents / m3	170,368	0.0017	0.0027	2.90	4.60	1.70	58.82%
6 PGTVA Rate Rider	cents / m3	170,368	0.1280	0.1280	218.12	218.12	0.00	0.00%
7 REDA Rate Rider	\$ / month	12	0.59	0.59	7.03	7.03	0.00	0.00%
8 Total Bill Excluding System Gas Fee					23,062.06	26,402.97	3,340.92	14.49%
9 Commodity	cents / m3	170,368	14.1988	14.1988	24,190.23	24,190.23	0.00	0.00%
10 System Gas Fee	cents / m3	170,368	0.0435	0.0435	74.13	74.13	0.00	0.00%
11 Total Bill					47,326.41	50,667.33	3,340.92	7.06%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Table 8
Detailed Bill Impacts Rate 6
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	61,230.92	61,230.92	734,771.06	734,771.06	0.00	0.00%
2 Delivery Rates					734,771.06	734,771.06	0.00	0.00%
3 Facility Charge	cents / m3	59,243,876	0.0017	0.0027	1,007.15	1,599.58	592.44	58.82%
4 PGTVRA Rate Rider	\$ / month	12	15,413.33	15,413.33	184,960.00	184,960.00	0.00	100.00%
5 REDA Rate Rider	\$ / month	12	0.56	0.56	6.73	6.73	0.00	0.00%
6 Commodity	cents / m3	0	14.1988	14.1988	0.00	0.00	0.00	0.00%
7 Total Bill					920,744.93	921,337.37	592.44	0.06%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.



Draft Rate Schedules

EPCOR Natural Gas LP

EB-2020-0076

For rates effective: April 1, 2020



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⁾	\$17.50
	Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2020	\$0.59
b)	Delivery Charge	
	First 1,000 m ³ per month	13.3814 cents per m ³
	All over 1,000 m ³ per month	10.7275 cents per m ³
	Rate Rider for PGTVA recovery – effective for 12 months ending December 31, 2020	0.1280 cents per m ³
c)	Carbon Charges	
	- Federal Carbon Charge (if applicable)	5.8700 cents per m ³
	- Facility Carbon Charge	0.0027 cents per m ³
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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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 ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2020	\$0.59	\$0.59
b) Delivery Charge		
First 1,000 m ³ per month	16.5854 cents per m ³	20.9056 cents per m ³
Next 24,000 m ³ per month	8.5818 cents per m ³	14.2049 cents per m ³
All over 25,000 m ³ per month	6.7868 cents per m ³	15.2899 cents per m ³
Rate Rider for PGTVA recovery – effective for 12 months ending December 31, 2020	0.1280 cents per m ³	0.1280 cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)	5.8700 cents per m ³	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³	0.0027 cents per m ³
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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 3 - Special Large Volume Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

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

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

Rate

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

- a) A Monthly Customer Charge⁽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 \$0.59
– effective for 12 months ending December 31, 2020

- b) A Monthly Demand Charge:

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

- c) A Monthly Delivery Charge:

- (i) A Monthly Firm Delivery Charge for all firm volumes of 3.6011 cents per m³,
- (ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 10.5118 cents per m³ and not to be less than 7.6156 per m³.

Rate Rider for PGTV recovery 0.1280 cents per m³
– effective for 12 months ending December 31, 2020

- d) Carbon Charges
 - Federal Carbon Charge (if applicable)
 - Facility Carbon Charge

5.8700 cents per m³
0.0027 cents per m³

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

- f) Overrun Gas Charges:

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



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

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

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

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 3 Firm Delivery Charge 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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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 ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2020	\$0.59	\$0.59
b) Delivery Charge		
First 1,000 m ³ per month	18.2634 cents per m ³	23.2990 cents per m ³
All over 1,000 m ³ per month	11.2057 cents per m ³	18.0040 cents per m ³
Rate Rider for PGTVA recovery – effective for 12 months ending December 31, 2020	0.1280 cents per m ³	0.1280 cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)	5.8700 cents per m ³	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³	0.0027 cents per m ³
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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

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

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

Rate

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

- a) Monthly Fixed Charge⁽¹⁾ \$191.00

Rate Rider for REDA Recovery \$0.59
– effective for 12 months ending December 31, 2020
- 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 9.2650 cents per m³ and not to be less than 5.9800 per m³.

Rate Rider for PGTV recovery 0.1280 cents per m³
– effective for 12 months ending December 31, 2020
- c) Carbon Charges
- Federal Carbon Charge (if applicable) 5.8700 cents per m³
- Facility Carbon Charge 0.0027 cents per m³
- d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)
Schedule A
- e) Overrun Gas Charge:

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

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

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



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

Any unauthorized overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge 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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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⁾ of \$61,230.92 for firm services | |
| | Rate Rider for REDA Recovery | \$0.56 |
| | – effective for 12 months ending December 31, 2020 | |
| | Rate Rider for PGTVA recovery | \$15,413.33 |
| | – effective for 12 months ending December 31, 2020 | |
| b) | Carbon Charges | |
| | - Facility Carbon Charge | 0.0027 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: April 1, 2020

Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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-2019-0288)	13.5189 cents per m ³
GPRA Recovery Rate	(EB-2019-0288)	0.6799 cents per m ³
System Gas Fee	(EB-2019-0288)	<u>0.0435</u> cents per m ³
Total Gas Supply Charge		<u>14.2423</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

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Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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 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.

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Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



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

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Implementation: All bills rendered on or after April 1, 2020

EB-2020-0076



EPCOR NATURAL GAS LIMITED PARTNERSHIP

Schedule of Miscellaneous and Service Charges

A Service		B 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		
20	Late Payment Charge	1.5% / month, 19.56% / year (effective rate of 0.04896% compounded daily)
21		
22	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
23		
24	Installation of Service Lateral	\$100 for the first 20 meters. Additional if pipe length exceeds 20 meters.

Note: Applicable taxes will be added to the above charges

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