



**EPCOR Natural Gas Limited Partnership**

**2020 Incentive Rate Adjustment Application**

**EB-2019-0264**

**Rates Effective: January 1, 2020**

**Date Filed: March 18, 2020**

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**CERTIFICATION OF EVIDENCE**

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

1. I am a senior officer of EPCOR Ontario Utilities Inc., which is the general partner of ENGLP;
2. This certificate is given pursuant to Chapter 1 of the Ontario Energy Board's (the "**Board**") Filing Requirements for Natural Gas Rate Applications dated February 16, 2017; and
3. The evidence submitted in support of ENGLP's 2020 Incentive Rate Adjustment Application for its South Bruce operations, filed with the Board on March 18, 2020, is accurate, consistent and complete to the best of my knowledge.

DATED this 18<sup>th</sup> day of March, 2020.

*[original signed by]*

Stephen Stanley

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

## ONTARIO ENERGY BOARD

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

**AND IN THE MATTER OF** an application by EPCOR Natural Gas Limited Partnership pursuant to section 36(1) of the OEB Act for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of gas to be effective January 1, 2020 for the EPCOR Natural Gas Limited Partnership gas distribution system to serve the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss.

## APPLICATION

1. The Applicant is EPCOR Natural Gas Limited Partnership (“**EPCOR**”), an Ontario limited partnership with its head office in the Town of Aylmer. It carries on the business of selling and distributing natural gas within the province of Ontario. EPCOR is a wholly owned indirect subsidiary of EPCOR Utilities Inc. (“**EUI**”). The general partner of EPCOR is EPCOR Ontario Utilities Inc., an Ontario corporation, which is a subsidiary of EUI and the sole limited partner is EPCOR Power Development Corporation, an Alberta corporation. EPCOR was formed pursuant to a limited partnership agreement which provides that EPCOR Ontario Utilities Inc., as general partner, will control and have the full and exclusive power, authority and responsibility for the management and day-to-day operations of EPCOR. In accordance with the limited partnership agreement, EPCOR Power Development Corporation, as limited partner, has an economic interest in the partnership but does not control or otherwise play a role in the day-to-day operations and management of EPCOR.
2. EPCOR presently provides natural gas distribution services in the Alymer area under a tariff approved for 2020 – 2024 (EB-2018-0336). EPCOR is also developing a greenfield natural gas distribution utility (“**Southern Bruce**”) to service the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss (collectively the “**Southern Bruce Municipalities**”). Southern Bruce, which is a division of EPCOR, is expected to connect its first customers in the second quarter of 2020 (“**QII, 2020**”). EPCOR filed a Custom Incentive Rate setting plan (“**Custom IR**”) Application (EB-2018-0264) with the Ontario Energy Board (“**Board**”) on October 2, 2018 (updated April 11, 2019) for Southern Bruce to seek approval for a tariff and other matters under which it would provide service to the Southern Bruce Municipalities. The Application sought approval for distribution rates based on a ten-year Custom IR effective January 1, 2019, establishment of certain deferral and variance accounts, approval of the proposed performance score card, and as well as further orders in all other respects to give effect to the proposals described in that Application and Evidence.

3. The parties to EB-2018-0264 submitted a settlement proposal in which settlement on a number of issues was proposed. On October 3, 2019 the Board issued a Decision on Settlement Proposal and Procedural Order No. 6 in which it approved the settlement proposal. On November 28, 2019 the Board issued its Decision and Order in which it addressed outstanding issues that were not addressed in the approved settlement proposal and approved Southern Bruce's rates to be effective January 1, 2019. A final Rate Order was issued on January 9, 2020.
4. Per the terms of the settlement proposal, and the rates application, EPCOR will file an annual Incentive Rate Adjustment ("IR"). This IR is to be applied to the Monthly Fixed Charge and Delivery Charge in each rate class. The agreed to formula for determining the IR is as follows:

$$\text{Incentive Rate Adjustment (IR)} = [(1.0 - 0.314) \times 0.0127] + [0.314 \times \text{Inflation (I)}]$$

The Inflation factor ("I") will equal the inflation value the Board determines each year in its annual generic inflation amount.

5. Specifically in this application, EPCOR is applying for an order or orders granting that distribution rates be updated effective January 1, 2020 and adjusted in accordance with the EB-2018-0264 Decision and Order, including adjusting the Monthly Fixed Charge and Delivery Charge for each rate class by the IR factor as calculated below.
6. As the Southern Bruce utility was not operational in 2019, the deferral and variance accounts as approved in EB-2018-0264 have zero balances. Therefore, EPCOR is not requesting disposal of any balances. EPCOR expects that these accounts will incur balances during 2020 and its IR Application for 2021 may include proposals to clear these balances.
7. EPCOR has prepared an Excel based 2020 Annual Incentive Rate Adjustment Model to support the calculation of rates in the Application. A live working version of this model has been filed as supporting material. A hard copy of the model is provided in Appendix A.
8. EPCOR seeks issuance of a Decision and Order by May 1, 2020, to ensure the implementation of 2020 rates in advance of the expected date of connection of its initial customers. This initial customer connection date is forecast to be late in QII, 2020. In the event that the Board does not issue a rate order by May 1, 2020, EPCOR requests that the Board issue an Interim Rate Order declaring the current distribution rates as interim until the decided implementation date of the approved 2020 distribution rates.
9. In the event that the Board's implementation date for 2020 distribution rates is later than the effective date, EPCOR requests permission to recover the incremental revenue from the effective date of January 1, 2020 to the implementation date through the implementation of a fixed-term rate rider.

10. EPCOR requests that since this is a Custom IR update application, that the Board's streamlined process for applications of this nature be followed. Since the elements included in this application and the rate adjustments contemplated are largely mechanistic, and further to the Board's authority under sections 6(4) and (8) and section 21(4) of the OEB Act, EPCOR requests this Application be decided by delegated authority without hearing.
11. In the instance that the Board agrees to EPCOR's request to have this application decided by delegated authority, Appendix C includes a draft customer notice. As Southern Bruce has no current customers, this notice would be posted on our website for access by potential customers.

## APPLICATION CONTACT INFORMATION

EPCOR requests that copies of all documents filed with the Board in connection with this proceeding be served as follows:

Bruce Brandell  
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EPCOR Utilities Inc.

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DATED at Edmonton, Alberta this 18 day of March, 2020.

**EPCOR NATURAL GAS LIMITED PARTNERSHIP**  
by its general partner **EPCOR ONTARIO**  
**UTILITIES INC.**

*[original signed by]*

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Bruce Brandell

## MANAGER'S SUMMARY

### Annual Incentive Rate Adjustment

1. The IR formula is as follows:

$$\text{Incentive Rate Adjustment (IR)} = [(1.0 - 0.314) \times 0.0127] + [0.314 \times \text{Inflation (I)}]$$

The Inflation factor ("I") will equal the inflation value the Board determines each year in its annual generic inflation amount.

2. In the Report of the Board: *Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors*, the Board adopted a 2-factor Input Price Index ("IPI") methodology. The Board uses the year-over-year change in the GDP-IPI ("FDD"), and the Average Weekly Earnings ("AWE") All Employees-Ontario, to calculate the 2-factor IPI. The percentage change is calculated as the weighted sum of 70% of the annual percentage change in the FDD for the prior year relative to the index value for two years prior and 30% of the annual percentage change in the AWE for the prior year relative to the data for years prior. On October 31, 2019, the Board issued an IPI of 2.0% to be used as the inflation adjustment for rates effective in 2020.
3. The calculation of the IR is as follows:

$$\text{IR} = [(1.0 - 0.314) \times 0.0127] + [0.314 \times 0.0200]$$

$$\text{IR} = 0.0150$$

4. The IR of 1.50% has been used in the 2020 Annual Incentive Rate Adjustment model to determine the proposed distribution rates. The IR has been applied to the Monthly Fixed Charge and Delivery Charge in each rate class. As EPCOR does not currently have any customers, in order to forecast bill impacts and change in revenue for 2020, forecast values for customer connections<sup>1</sup> and volumes<sup>2</sup> as included in its Custom IR Application have been incorporated.
5. For comparison purposes, Tables 1 and 2 below provide the current and proposed distribution rate

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<sup>1</sup> EB-2018-0264, ENGLP Response to Interrogatories, July 5, 2019, Enbridge 6 for customer connections

<sup>2</sup> IBID, Draft Rate Order, December 11, 2019, Appendix B, pages 13 - 21

**Table 1 - Current Southern Bruce Distribution Rates**

Rate Class		Fixed Monthly Base \$/month	Bill 32 Rate \$/month	Delivery Charge			Delivery Charge Contract Demand ¢/contracted m3	Gas Supply ¢ / m3	Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m3	Transportation Charge From Dawn ¢/contracted m3	Transportation Charge From Kirkwall ¢/contracted m3	Transportation Charge From Parkway ¢/contracted m3	Federal Carbon Charge ¢ / m3
				Tier 1 ¢ / m3	Tier 2 ¢ / m3	Tier 3 ¢ / m3								
Rate 1	General Firm Service	25.00	1.00	26.7948	26.2670	25.4911		11.5114	1.4740	2.6982				3.9100
Rate 6	Large Volume General Firm Service	102.00	1.00	24.7189	22.2470	21.1346		11.5114	2.9200	5.6413				3.9100
Rate 11	Large Volume Seasonal Service	204.00	1.00	15.3546	15.3546	15.3546		11.5114	0.0352	1.8166				3.9100
Rate 16	Contracted Firm Service	1,500.00	1.00				102.3139		14.2434		18.2999	11.8480	11.8480	3.9100

(A) Rates 1, 6, and 11 all charged on cents / m3 basis. Rate 16 billed on cents / m3 of contracted demand basis

**Table 2 - Proposed Southern Bruce Distribution Rates**

Rate Class		Fixed Monthly Base \$/month	Bill 32 Rate \$/month	Delivery Charge			Delivery Charge Contract Demand ¢/contracted m3	Gas Supply ¢/m3	Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m3	Transportation Charge From Dawn ¢/contracted m3	Transportation Charge From Kirkwall ¢/contracted m3	Transportation Charge From Parkway ¢/contracted m3	Federal Carbon Charge ¢ / m3
				Tier 1 ¢ / m3	Tier 2 ¢ / m3	Tier 3 ¢ / m3								
Rate 1	General Firm Service	25.38	1.00	27.1967	26.6610	25.8735		11.5114	1.4740	2.6982				3.9100
Rate 6	Large Volume General Firm Service	103.53	1.00	25.0897	22.5807	21.4516		11.5114	2.9200	5.6413				3.9100
Rate 11	Large Volume Seasonal Service	207.06	1.00	15.5849	15.5849	15.5849		11.5114	0.0352	1.8166				3.9100
Rate 16	Contracted Firm Service	1,522.50	1.00				103.8486		14.2434		18.2999	11.8480	11.8480	3.9100

(A) Rates 1, 6, and 11 all charged on cents / m3 basis. Rate 16 billed on cents / m3 of contracted demand basis

**Bill Impacts**

6. The following table provides a summary of bill impacts for each rate class assuming the average consumption level of the rate class based on the forecasted 2020 customer connections and volumes. The bill impact provided assumes a full 12 months of distribution service and consumption. Further details on the bill impacts as summarized below are provided in the 2020 Incentive Rate Adjustment Model.

**Table 3 – Illustrative Bill Impact Summary**

Rate Class		Fixed Monthly Change (\$/year)	Bill 32 Rate (\$/year)	Volumetric Change (\$/year)	Rate Rider (\$/year)	Upstream Recovery Charge (\$/year)	Transportation & Storage Charge (\$/year)	Federal Carbon Charge Change (\$/year)	Total Change (\$/year)	Total Change %
Rate 1	Existing Residential <sup>1</sup>	4.50	0.00	8.55	0.00	0.00	0.00	0.00	13.05	0.98%
Rate 1	New Residential <sup>1</sup>	4.50	0.00	8.22	0.00	0.00	0.00	0.00	12.72	0.98%
Rate 1	Small Commercial	4.50	0.00	18.47	0.00	0.00	0.00	0.00	22.97	0.90%
Rate 1	Small Agricultural	4.50	0.00	18.57	0.00	0.00	0.00	0.00	23.07	0.90%
Rate 6	Medium Commercial	18.36	0.00	93.52	0.00	0.00	0.00	0.00	111.88	0.79%
Rate 6	Large Commercial	18.36	0.00	253.04	0.00	0.00	0.00	0.00	271.40	0.73%
Rate 11	Sample Dryer 1	36.72	0.00	233.77	0.00	0.00	0.00	0.00	270.49	0.75%
Rate 11	Sample Dryer 2	36.72	0.00	779.24	0.00	0.00	0.00	0.00	815.96	0.71%
Rate 16	Contracted Demand	270.00	0.00	9,208.25	0.00	0.00	0.00	0.00	9,478.25	1.11%

<sup>1</sup> Existing Residential and New Residential are standard categories that were included in EPCOR's Common Infrastructure Plan ("CIP") (EB-2016-0137 / 0138 / 0139). A New Residential is considered a newly constructed building whereas an Existing Residential is considered a building that was existing as of the time that the CIP was submitted. EPCOR has maintained these categories in this application to ensure consistency with the CIP.

**Appendix A - 2020 Annual Incentive Rate Adjustment Model**

Name of LDC: EPCOR Natural Gas Limited Partnership  
OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

### Distributor Information

Distributor Name	<a href="#">EPCOR Natural Gas Limited Partnership</a>
OEB Application Number	<a href="#">EB-2019-0264 Exhibit A - 2020 Custom Incentive Application</a>

A1.1 Distributor Information

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Current Distribution Tariff Sheet Rates**

Rate Class	Fixed		Delivery Charge			Delivery Charge		Gas Supply	Upstream Recovery Charge (A)	Transportation & Storage Charge	Transportation Charge From Dawn	Transportation Charge From Kirkwall	Transportation Charge From Parkway	Federal Carbon Charge
	Monthly Base	Bill 32 Rate	Tier 1	Tier 2	Tier 3	Contract Demand								
	\$/month	\$ / month	¢ / m3	¢ / m3	¢ / m3	¢ /contracted m3	¢ / m3			¢ / m3	¢ /contracted m3	¢ /contracted m3	¢ /contracted m3	¢ / m3
Rate 1	General Firm Service	25.00	1.00	26.7948	26.2670	25.4911		11.5114	1.4740	2.6982				3.9100
Rate 6	Large Volume General Firm Service	102.00	1.00	24.7189	22.2470	21.1346		11.5114	2.9200	5.6413				3.9100
Rate 11	Large Volume Seasonal Service	204.00	1.00	15.3546	15.3546	15.3546		11.5114	0.0352	1.8166				3.9100
Rate 16	Contracted Firm Service	1,500.00	1.00				102.3139		14.2434		18.2999	11.8480	11.8480	3.9100

(A) Rates 1, 6, and 11 all charged on cents / m3 basis. Rate 16 billed on cents / m3 of contracted demand basis

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Billing Determinants**

Rate Class		Fixed Monthly		Delivery Charge			Delivery Charge	
		Base	Tier 1	Tier 2	Tier 3	Contract Demand	Gas Supply	
Rate 1	General Firm Service	1,753	1,774,284	2,138,385	101,473	0	4,014,142	
Rate 6	Large Volume General Firm Service	24	245,079	526,295	115,885	0	887,258	
Rate 11	Large Volume Seasonal Service	1	0	0	338,332	0	338,332	
Rate 16	Contracted Firm Service	2	0	0	0	89,716	0	

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Forecasted Revenue from Current Rates**

Months / Year

Rate Class		Fixed Monthly		Delivery Charge			Delivery Charge		Upstream Recovery Charge	Transportation & Storage Charge (A)	Federal Carbon Charge	Total
		Base	Bill 32 Rate	Tier 1	Tier 2	Tier 3	Contract Demand	Gas Supply				
Rate 1	General Firm Service	525,900	21,036	475,416	561,689	25,866	0	462,084	59,168	108,310	156,953	2,396,423
Rate 6	Large Volume General Firm Service	29,376	288	60,581	117,085	24,492	0	102,136	25,908	50,053	34,692	444,610
Rate 11	Large Volume Seasonal Service	2,448	12	0	0	51,949	0	38,947	119	6,146	13,229	112,850
Rate 16	Contracted Firm Service	36,000	24	0	0	0	1,101,503	0	153,343	197,015	42,095	1,529,981
Total Revenue		593,724	21,360	535,997	678,774	102,308	1,101,503	603,166	238,539	361,524	246,968	4,483,863

(A) Transportation & Storage for Rates 1, 6, and 11. Transportation only for Rate 16.

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Current Rate Riders**

Description:  
 Effective Until:

Delay in Revenue Recovery Rate Rider  
 Dec 31, 2028

Rate 1   General Firm Service	cents / m3 volume	1.6330	\$/m3
Rate 6   Large Volume General Firm Service	cents / m3 volume	0.9090	\$/m3
Rate 11   Large Volume Seasonal Service	cents / m3 volume	0.5524	\$/m3
Rate 16   Contracted Firm Service	cents / contracted demand / month	0.0601	\$/contracted demand m3

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Rate 1 Incentive Rate Adjustment**

D1.1 Rate 1 Adjustment

Rate 1

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.50%
12

Months / Year

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	25.00	1.50%	25.38	1,753	533,789
Bill 32 Rate	\$/month	1.00	0.00%	1.00	1,753	21,036
Tier 1	cents / m3	26.7948	1.50%	27.1967	1,774,284	482,547
Tier 2	cents / m3	26.2670	1.50%	26.6610	2,138,385	570,115
Tier 3	cents / m3	25.4911	1.50%	25.8735	101,473	26,254
Contract Demand	cents / m3	0.0000	1.50%	0.0000	0	0
Gas Supply	cents / m3	11.5114	0.00%	11.5114	4,014,142	462,084
Upstream Recovery Charge	cents / m3	1.4740	0.00%	1.4740	4,014,142	59,168
Transportation & Storage Charge	cents / m3	2.6982	0.00%	2.6982	4,014,142	108,310
Federal Carbon Charge	cents / m3	3.9100	0.00%	3.9100	4,014,142	156,953
						<u>2,420,256</u>



**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Rate 11 Incentive Rate Adjustment**

D1.3 Rate 11 Adjustment

Rate 11

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.50%
12

Months / Year

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	204.00	1.50%	207.06	1	2,485
Bill 32 Rate	\$/month	1.00	0.00%	1.00	1	12
Tier 1	cents / m3	15.3546	1.50%	15.5849	0	0
Tier 2	cents / m3	15.3546	1.50%	15.5849	0	0
Tier 3	cents / m3	15.3546	1.50%	15.5849	338,332	52,729
Contract Demand	cents / m3	0.0000	1.50%	0.0000	0	0
Gas Supply	cents / m3	11.5114	0.00%	11.5114	338,332	38,947
Upstream Recovery Charge	cents / m3	0.0352	0.00%	0.0352	338,332	119
Transportation & Storage Charge	cents / m3	1.8166	0.00%	1.8166	338,332	6,146
Federal Carbon Charge	cents / m3	3.9100	0.00%	3.9100	338,332	13,229
						113,666

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Rate 16 Incentive Rate Adjustment**

D1.4 Rate 16 Adjustment

Rate 16

GDP-IPI  
 Less Productivity  
 Less Stretch Factor  
 Incentive Rate Adjustment  
 Months / Year

Incentive Rate Adjustment	1.50%
Months / Year	12

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	1,500.00	1.50%	1,522.50	2	36,540
Bill 32 Rate	\$/month	1.00	0.00%	1.00	2	24
Tier 1	cents / m3	0.0000	1.50%	0.0000	0	0
Tier 2	cents / m3	0.0000	1.50%	0.0000	0	0
Tier 3	cents / m3	0.0000	1.50%	0.0000	0	0
Contract Demand	Cents/contracted demand m3	102.3139	1.50%	103.8486	89,716	1,118,026
Gas Supply	cents / m3	0.0000	0.00%	0.0000	0	0
Upstream Recovery Charge	Cents/contracted demand m3	14.2434	0.00%	14.2434	89,716	153,343
Transportation Charge From Dawn	Cents/contracted demand m3	18.2999	0.00%	18.2999	89,716	197,015
Transportation Charge From Kirkwall	Cents/contracted demand m3	11.8480	0.00%	11.8480	0	0
Transportation Charge From Parkway	Cents/contracted demand m3	11.8480	0.00%	11.8480	0	0
Federal Carbon Charge	Cents/contracted demand m3	3.9100	0.00%	3.9100	89,716	42,095
						1,547,043

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Proposed Distribution Tariff Sheet Rates**

E1.1 Proposed Dist Rates

Rate Class		Monthly Base \$/month	Bill 32 Rate \$/month	Tier 1 ¢ / m3	Tier 2 ¢ / m3	Tier 3 ¢ / m3	Contract Demand ¢/contracted m3	Gas Supply ¢/m3	Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m3	Transportation Charge From Dawn ¢ /contracted m3	Transportation Charge From Kirkwall ¢ /contracted m3	Transportation Charge From Parkway ¢ /contracted m3	Federal Carbon Charge ¢ / m3
Rate 1	General Firm Service	25.38	1.00	27.1967	26.6610	25.8735		11.5114	1.4740	2.6982				3.9100
Rate 6	Large Volume General Firm Service	103.53	1.00	25.0897	22.5807	21.4516		11.5114	2.9200	5.6413				3.9100
Rate 11	Large Volume Seasonal Service	207.06	1.00	15.5849	15.5849	15.5849		11.5114	0.0352	1.8166				3.9100
Rate 16	Contracted Firm Service	1,522.50	1.00				103.8486		14.2434		18.2999	11.8480	11.8480	3.9100

(A) Rates 1, 6, and 11 all charged on cents / m3 basis. Rate 16 billed on cents / m3 of contracted demand basis

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Billing Determinants**

E1.2 Billing Determinants

Rate Class	Description	Base cx's	Tier 1 m3	Tier 2 m3	Tier 3 m3	Firm Demand Contracted m3	Gas Supply m3
Rate 1	General Firm Service	1,753	1,774,284	2,138,385	101,473	0	4,014,142
Rate 6	Large Volume General Firm Service	24	245,079	526,295	115,885	0	887,258
Rate 11	Large Volume Seasonal Service	1	0	0	338,332	0	338,332
Rate 16	Contracted Firm Service	2	0	0	0	89,716	0

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Proposed Revenue from Rates**

Months / Year

Rate Class	Monthly Base	Bill 32 Rate	Tier 1	Tier 2	Tier 3	Contracted Demand	Gas Supply	Upstream Recovery Charge	Transportation & Storage Charge (A)	Federal Carbon Charge	Total	
Rate 1	General Firm Service	533,789	21,036	482,547	570,115	26,254	0	462,084	59,168	108,310	156,953	2,420,256
Rate 6	Large Volume General Firm Service	29,817	288	61,489	118,841	24,859	0	102,136	25,908	50,053	34,692	448,083
Rate 11	Large Volume Seasonal Service	2,485	12	0	0	52,729	0	38,947	119	6,146	13,229	113,666
Rate 16	Contracted Firm Service	36,540	24	0	0	0	1,118,026	0	153,343	197,015	42,095	1,547,043

(A) Transportation & Storage for Rates 1, 6, and 11. Transportation only (no seasonal storage) for Rate 16 from Dawn.

Proposed Revenue	4,529,048
Current Revenue	4,483,863
Change	45,185
% Change	1.01%

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application**

**Delay in Revenue Recovery Rate Rider**

F1.3 Rate Riders

Delay in Revenue Recovery Rate Rider

Rate 1   General Firm Service	1.6330	Cents/m3
Rate 6   Large Volume General Firm Service	0.9090	Cents/m3
Rate 11   Large Volume Seasonal Service	0.5524	Cents/m3
Rate 16   Contracted Firm Service	0.0601	Cents/contracted demand m3

**Name of LDC:** EPCOR Natural Gas Limited Partnership  
**OEB Application Number:** EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Rate 1 Delivery Bill Impact**

G1.1 Rate 1 Bill Impact

Rate 1

Rate 1 - Existing Residential	Units	Current Rate	Proposed Rate
Customer	\$/month	25.00	25.38
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	26.7948	27.1967
Next 400 m3	¢/m3	26.2670	26.6610
GT 500m3	¢/m3	25.4911	25.8735
Contracted Demand	¢ / contracted m3	-	-
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	\$/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	300.00	304.50	4.50 1.50%
Bill 32 Rate	12	12.00	12.00	0.00 0.00%
First 100 m3	1,001	268.30	272.33	4.02 1.50%
Next 400 m3	1,148	301.46	305.98	4.52 1.50%
GT 500m3	-	0.00	0.00	0.00 #DIV/0!
Contracted Demand	-	0.00	0.00	0.00 #DIV/0!
Gas Supply	2,149.00	247.38	247.38	0.00 0.00%
Upstream Recovery Charge	2,149.00	31.68	31.68	0.00 0.00%
Transportation & Storage Charge	2,149.00	57.98	57.98	0.00 0.00%
Federal Carbon Charge	2,149.00	84.03	84.03	0.00 0.00%
<b>Total Delivery</b>		1,302.83	1,315.88	13.05 1.00%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	2,149.00	35.09	35.09	0.00 0.00%
<b>Total Rate Riders</b>		35.09	35.09	- 0.00%

**Total Bill Impact**

	1,337.92	1,350.97	13.05	1.0%
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Rate 1 - New Residential	Units	Current Rate	Proposed Rate
Customer	\$/month	25.00	25.38
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	26.7948	27.1967
Next 400 m3	¢/m3	26.2670	26.6610
GT 500m3	¢/m3	25.4911	25.8735
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	300.00	304.50	4.50 1.50%
Bill 32 Rate	12	12.00	12.00	0.00 0.00%
First 100 m3	993	266.11	270.10	3.99 1.50%
Next 400 m3	1,073	281.81	286.04	4.23 1.50%
GT 500m3	-	0.00	0.00	0.00 #DIV/0!
Contracted Demand	-	0.00	0.00	0.00 #DIV/0!
Gas Supply	2,066.00	237.83	237.83	0.00 0.00%
Upstream Recovery Charge	2,066.00	30.45	30.45	0.00 0.00%
Transportation & Storage Charge	2,066.00	55.74	55.74	0.00 0.00%
Federal Carbon Charge	2,066.00	80.78	80.78	0.00 0.00%
<b>Total Delivery</b>		1,264.72	1,277.44	12.72 1.01%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	2,066.00	33.74	33.74	0.00 0.00%
<b>Total Rate Riders</b>		33.74	33.74	- 0.00%

**Total Bill Impact**

	1,298.46	1,311.18	12.72	1.0%
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Rate 1 - Small Commercial	Units	Current Rate	Proposed Rate
Customer	\$/month	25.00	25.38
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	26.7948	27.1967
Next 400 m3	¢/m3	26.2670	26.6610
GT 500m3	¢/m3	25.4911	25.8735
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Customer	12	300.00	304.50	4.50	1.50%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 100 m3	1,198	321.05	325.86	4.82	1.50%
Next 400 m3	2,475	650.11	659.86	9.75	1.50%
GT 500m3	1,020	259.96	263.86	3.90	1.50%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	4,693.00	540.23	540.23	0.00	0.00%
Upstream Recovery Charge	4,693.00	69.17	69.17	0.00	0.00%
Transportation & Storage Charge	4,693.00	126.63	126.63	0.00	0.00%
Federal Carbon Charge	4,693.00	183.50	183.50	0.00	0.00%
<b>Total Delivery</b>		<b>2,462.65</b>	<b>2,485.62</b>	<b>22.97</b>	<b>0.93%</b>

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Delay in Revenue Recovery Rate Rider	4,693.00	76.64	76.64	0.00	0.00%
<b>Total Rate Riders</b>		<b>76.64</b>	<b>-</b>	<b>0.00%</b>	

**Total Bill Impact**

	<b>2,539.29</b>	<b>2,562.25</b>	<b>22.97</b>	<b>0.9%</b>
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Rate 1 - Small Agricultural	Units	Current Rate	Proposed Rate
Customer	\$/month	25.00	25.38
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	26.7948	27.1967
Next 400 m3	¢/m3	26.2670	26.6610
GT 500m3	¢/m3	25.4911	25.8735
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Customer	12	300.00	304.50	4.50	1.50%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 100 m3	1,199	321.20	326.02	4.82	1.50%
Next 400 m3	2,484	652.49	662.28	9.79	1.50%
GT 500m3	1,037	264.39	268.36	3.97	1.50%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Commodity	4,720.00	543.34	543.34	0.00	0.00%
Upstream Recovery Charge	4,720.00	69.57	69.57	0.00	0.00%
Transportation & Storage Charge	4,720.00	127.36	127.36	0.00	0.00%
Federal Carbon Charge	4,720.00	184.55	184.55	0.00	0.00%
<b>Total Delivery</b>		<b>2,474.90</b>	<b>2,497.97</b>	<b>23.07</b>	<b>0.93%</b>

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Delay in Revenue Recovery Rate Rider	4,720.00	77.08	77.08	0.00	0.00%
<b>Total Rate Riders</b>		<b>77.08</b>	<b>-</b>	<b>0.00%</b>	

**Total Bill Impact**

	<b>2,551.98</b>	<b>2,575.05</b>	<b>23.07</b>	<b>0.9%</b>
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**Name of LDC:** EPCOR Natural Gas Limited Partnership  
**OEB Application Number:** EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Rate 6 Delivery Bill Impact**

G1.2 Rate 6 Bill Impact

Rate 6 - Medium Commercial		Units	Current Rate	Proposed Rate	
Customer	\$/month		102.00	103.53	
Bill 32 Rate	\$/month		1.00	1.00	
First 1000 m3	¢/m3		24.7189	25.0897	
Next 6000 m3	¢/m3		22.2470	22.5807	
GT 7000m3	¢/m3		21.1346	21.4516	
Contracted Demand	¢ / contracted m3		-	-	
Gas Supply	¢/m3		11.5114	11.5114	
Upstream Recovery Charge	¢/m3		2.9200	2.9200	
Transportation & Storage Charge	¢/m3		5.6413	5.6413	
Federal Carbon Charge	¢/m3		3.9100	3.9100	
<b>Rate Riders</b>					
Delay in Revenue Recovery Rate Rider	¢/m3		0.9090	0.9090	
<b>Delivery</b>					
	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	1,224.00	1,242.36	18.36	1.50%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 1000 m3	9,832	2,430.25	2,466.70	36.45	1.50%
Next 6000 m3	17,101	3,804.56	3,861.63	57.07	1.50%
GT 7000m3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	26,933.00	3,100.37	3,100.37	0.00	0.00%
Upstream Recovery Charge	26,933.00	786.44	786.44	0.00	0.00%
Transportation & Storage Charge	26,933.00	1,519.37	1,519.37	0.00	0.00%
Federal Carbon Charge	26,933.00	1,053.08	1,053.08	0.00	0.00%
<b>Total Delivery</b>		13,930.07	14,041.95	111.88	0.80%
<b>Rate Riders</b>					
	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	26,933.00	244.82	244.82	0.00	0.00%
<b>Total Rate Riders</b>		244.82	244.82	-	0.00%
<b>Total Bill Impact</b>		14,174.89	14,286.77	111.88	0.79%

Rate 6 - Medium Commercial		Units	Current Rate	Proposed Rate	
Customer	\$/month		102.00	103.53	
Bill 32 Rate	\$/month		1.00	1.00	
First 1000 m3	¢/m3		24.7189	25.0897	
Next 6000 m3	¢/m3		22.2470	22.5807	
GT 7000m3	¢/m3		21.1346	21.4516	
Contracted Demand	¢ / contracted m3		0.0000	0.0000	
Gas Supply	¢/m3		11.5114	11.5114	
Upstream Recovery Charge	¢/m3		2.9200	2.9200	
Transportation & Storage Charge	¢/m3		5.6413	5.6413	
Federal Carbon Charge	¢/m3		3.9100	3.9100	
<b>Rate Riders</b>					
Delay in Revenue Recovery Rate Rider	¢/m3		0.9090	0.9090	
<b>Delivery</b>					
	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	1,224.00	1,242.36	18.36	1.50%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 1000 m3	11,715	2,895.90	2,939.34	43.44	1.50%
Next 6000 m3	40,793	9,075.16	9,211.28	136.13	1.50%
GT 7000m3	23,177	4,898.36	4,971.83	73.48	1.50%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	75,685.00	8,712.40	8,712.40	0.00	0.00%
Upstream Recovery Charge	75,685.00	2,210.00	2,210.00	0.00	0.00%
Transportation & Storage Charge	75,685.00	4,269.62	4,269.62	0.00	0.00%
Federal Carbon Charge	75,685.00	2,959.28	2,959.28	0.00	0.00%
<b>Total Delivery</b>		36,256.72	36,528.12	271.40	0.75%
<b>Rate Riders</b>					
	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	75,685.00	687.98	687.98	0.00	0.00%
<b>Total Rate Riders</b>		687.98	687.98	-	0.00%
<b>Total Bill Impact</b>		36,944.70	37,216.10	271.40	0.73%

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Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Rate 11 Delivery Bill Impact**

G1.3 Rate 11 Bill Impact

Rate 11 - Large Seasonal Service Sample Dryer 1			
	Units	Current Rate	Proposed Rate
Customer	\$/month	204.00	207.06
Bill 32 Rate	\$/month	1.00	1.00
All Volumes	¢/m3	15.3546	15.5849
Tier 2	¢/m3	15.3546	15.5849
Tier 3	¢/m3	15.3546	15.5849
Contracted Demand	¢ / contracted m3	-	-
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	¢/m3	0.0352	0.0352
Transportation & Storage Charge	¢/m3	1.8166	1.8166
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	0.5524	0.5524
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	2,448.00	2,484.72	36.72 1.50%
Bill 32 Rate	12	12.00	12.00	0.00 0.00%
All Volumes	101,499	15,584.84	15,818.61	233.77 1.50%
Tier 2	-	0.00	0.00	0.00 #DIV/0!
Tier 3	-	0.00	0.00	0.00 #DIV/0!
Contracted Demand	-	0.00	0.00	0.00 #DIV/0!
Gas Supply	101,499.49	11,684.01	11,684.01	0.00 0.00%
Upstream Recovery Charge	101,499.49	35.73	35.73	0.00 0.00%
Transportation & Storage Charge	101,499.49	1,843.84	1,843.84	0.00 0.00%
Federal Carbon Charge	101,499.49	3,968.63	3,968.63	0.00 0.00%
<b>Total Delivery</b>		35,577.05	35,847.54	270.49 0.76%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	101,499.49	560.68	560.68	0.00 0.00%
<b>Total Rate Riders</b>		560.68	560.68	- 0.00%

**Total Bill Impact**

	36,137.73	36,408.22	270.49	0.75%
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Rate 11 - Large Seasonal Service Sample Dryer 2			
	Units	Current Rate	Proposed Rate
Customer	\$/month	204.00	207.06
Bill 32 Rate	\$/month	1.00	1.00
All Volumes	¢/m3	15.3546	15.5849
Tier 2	¢/m3	15.3546	15.5849
Tier 3	¢/m3	15.3546	15.5849
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.5114	11.5114
Upstream Recovery Charge	¢/m3	0.0352	0.0352
Transportation & Storage Charge	¢/m3	1.8166	1.8166
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	0.5524	0.5524
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	2,448.00	2,484.72	36.72 1.50%
Bill 32 Rate	12	12.00	12.00	0.00 0.00%
All Volumes	338,332	51,949.47	52,728.71	779.24 1.50%
Tier 2	-	0.00	0.00	0.00 #DIV/0!
Tier 3	-	0.00	0.00	0.00 #DIV/0!
Contracted Demand	-	0.00	0.00	0.00 #DIV/0!
Gas Supply	338,331.62	38,946.71	38,946.71	0.00 0.00%
Upstream Recovery Charge	338,331.62	119.09	119.09	0.00 0.00%
Transportation & Storage Charge	338,331.62	6,146.13	6,146.13	0.00 0.00%
Federal Carbon Charge	338,331.62	13,228.77	13,228.77	0.00 0.00%
<b>Total Delivery</b>		112,850.16	113,666.13	815.96 0.72%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	338,331.62	1,868.94	1,868.94	0.00 0.00%
<b>Total Rate Riders</b>		1,868.94	1,868.94	- 0.00%

**Total Bill Impact**

	114,719.11	115,535.07	815.96	0.71%
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**Name of LDC:** EPCOR Natural Gas Limited Partnership  
**OEB Application Number:** EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Rate 16 Delivery Bill Impact**

G1.4 Rate 16 Bill Impact

Rate 16 - Contracted Demand	Units	Current Rate	Proposed Rate
Customer	\$/month	1,500.00	1,522.50
Bill 32 Rate	\$/month	1.00	1.00
Tier 1	¢/m3	0.0000	0.0000
Tier 2	¢/m3	0.0000	0.0000
Tier 3	¢/m3	0.0000	0.0000
Contracted Demand	¢ / contracted m3	102.3139	103.8486
Gas Supply	¢/m3	0.0000	0.0000
Upstream Recovery Charge	¢ / contracted m3	14.2434	14.2434
Transportation Charge From Dawn	¢ / contracted m3	18.2999	18.2999
Transportation Charge From Kirkwall	¢ / contracted m3	11.8480	11.8480
Transportation Charge From Parkway	¢ / contracted m3	11.8480	11.8480
Federal Carbon Charge	¢/m3	3.9100	3.9100

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢ / contracted m3	0.0601	0.0601
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**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	18,000.00	18,270.00	270.00 1.50%
Bill 32 Rate	12	12.00	12.00	0.00 0.00%
Tier 1	-	0.00	0.00	0.00 #DIV/0!
Tier 2	-	0.00	0.00	0.00 #DIV/0!
Tier 3	-	0.00	0.00	0.00 #DIV/0!
Contracted Demand	50,000	613,883.40	623,091.65	9,208.25 1.50%
Gas Supply	0.00	0.00	0.00	0.00 #DIV/0!
Upstream Recovery Charge	50,000.00	85,460.40	85,460.40	0.00 0.00%
Transportation Charge From Dawn	50,000.00	109,799.40	109,799.40	0.00 0.00%
Transportation Charge From Kirkwall	0.00	0.00	0.00	0.00 #DIV/0!
Transportation Charge From Parkway	0.00	0.00	0.00	0.00 #DIV/0!
Federal Carbon Charge	50,000.00	23,460.00	23,460.00	0.00 0.00%
<b>Total Delivery</b>		850,615.20	860,093.45	9,478.25 1.11%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	12.00	360.60	360.60	0.00 0.00%
<b>Total Rate Riders</b>		360.60	360.60	- 0.00%

**Total Bill Impact**

	850,975.80	860,454.05	9,478.25	1.11%
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Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2019-0264 Exhibit A - 2020 Custom Incentive Application

**Summary of Bill Impacts**

G1.7 Summary of Bill Impacts

Rate Class		Fixed Change (\$/year)	Bill 32 Rate (\$/year)	Volumetric Change (\$/year)	Rate Rider (\$/year)	Upstream Recovery Charge (\$/year)	Transportation & Storage Charge (\$/year)	Federal Carbon Charge Change (\$/year)	Total Change (\$/year)	Total Change %
Rate 1	Existing Residential	4.50	0.00	8.55	0.00	0.00	0.00	0.00	13.05	0.98%
Rate 1	New Residential	4.50	0.00	8.22	0.00	0.00	0.00	0.00	12.72	0.98%
Rate 1	Small Commercial	4.50	0.00	18.47	0.00	0.00	0.00	0.00	22.97	0.90%
Rate 1	Small Agricultural	4.50	0.00	18.57	0.00	0.00	0.00	0.00	23.07	0.90%
Rate 6	Medium Commercial	18.36	0.00	93.52	0.00	0.00	0.00	0.00	111.88	0.79%
Rate 6	Large Commercial	18.36	0.00	253.04	0.00	0.00	0.00	0.00	271.40	0.73%
Rate 11	Sample Dryer 1	36.72	0.00	233.77	0.00	0.00	0.00	0.00	270.49	0.75%
Rate 11	Sample Dryer 2	36.72	0.00	779.24	0.00	0.00	0.00	0.00	815.96	0.71%
Rate 16	Contracted Demand	270.00	0.00	9,208.25	0.00	0.00	0.00	0.00	9,478.25	1.11%



**Appendix B - EPCOR Natural Gas Limited Partnership  
Southern Bruce Natural Gas System**

**Proposed Draft Rate Schedules**

**EB-2019-0264**

***Effective: January 1, 2020***



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**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 m<sup>3</sup> per year.

**Rate**

Rates per m<sup>3</sup> assume an energy content of 38.89MJ/m<sup>3</sup>.

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

<b>Monthly Fixed Charge<sup>(1)</sup></b>	\$26.38
<b>Delivery Charge</b>	
First 100 m <sup>3</sup> per month	27.1967 ¢ per m <sup>3</sup>
Next 400 m <sup>3</sup> per month	26.6610 ¢ per m <sup>3</sup>
Over 500 m <sup>3</sup> per month	25.8735 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge	1.4740 ¢ per m <sup>3</sup>
Transportation and Storage charge	2.6982 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	1.6330 ¢ per m <sup>3</sup>
<b>- effective for 10 years ending December 31, 2028</b>	
<b>Federal Carbon Charge (if applicable)</b>	3.9100 ¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	11.5114 ¢ per m <sup>3</sup>

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

**Direct Purchase Delivery**

Where a customer elects under this Rate Schedule to directly purchase its gas from a supplier other than EPCOR, 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 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**

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: January 1, 2020  
 Implementation: All bills rendered on or after January 1, 2020  
 Replacing Rate Effective: January 1, 2019  
 EB-2019-0264



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**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 m<sup>3</sup> per year.

**Rate**

Rates per m<sup>3</sup> assume an energy content of 38.89MJ/m<sup>3</sup>.

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

<b>Monthly Fixed Charge<sup>(1)</sup></b>	\$104.53
<b>Delivery Charge</b>	
First 1,000 m <sup>3</sup> per month	25.0897 ¢ per m <sup>3</sup>
Next 6,000 m <sup>3</sup> per month	22.5807 ¢ per m <sup>3</sup>
Over 7,000 m <sup>3</sup> per month	21.4516 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge	2.9200 ¢ per m <sup>3</sup>
Transportation and Storage charge	5.6413 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.9090 ¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028	
<b>Federal Carbon Charge (if applicable)</b>	3.9100 ¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	11.5114 ¢ per m <sup>3</sup>

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

**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**

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: January 1, 2020  
 Implementation: All bills rendered on or after January 1, 2020  
 EB-2019-0264



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**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 December 15 inclusive and are greater than 10,000 m<sup>3</sup>.

**Rate**

Rates per m<sup>3</sup> assume an energy content of 38.89MJ/m<sup>3</sup>.

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

	<b>May 1 through December 15</b>	
<b>Monthly Fixed Charge<sup>(1)</sup></b>	\$208.06	
<b>Delivery Charge</b>		
All volumes delivered	15.5849	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge	0.0352	¢ per m <sup>3</sup>
Transportation and Storage charge	1.8166	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028</b>	0.5524	¢ per m <sup>3</sup>
<b>Federal Carbon Charge (if applicable)</b>	3.9100	¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	11.5114	¢ per m <sup>3</sup>

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

**Unaccounted for Gas (UFG):**

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

<b>Forecasted Unaccounted for Gas Percentage</b>	0.00 %
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**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.

<b>Authorized Overrun Charge</b>	16.0000 ¢ per m <sup>3</sup>
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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**

388.9000 ¢ per m<sup>3</sup>

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:

$$[(\text{Daily volume of gas to be delivered}) * (1 + \text{Forecasted UFG})]$$

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 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](http://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: January 1, 2020

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

EB-2019-0264



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**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 2,739m<sup>3</sup>.

**Rate**

Rates per m<sup>3</sup> assume an energy content of 38.89MJ/m<sup>3</sup>.

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

<b>Monthly Fixed Charge<sup>(1)</sup></b>	\$1,523.50
<b>Delivery Charge</b>	
Per m <sup>3</sup> of Contract Demand	103.8486 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge per m <sup>3</sup> of Contract Demand	14.2434 ¢ per m <sup>3</sup>
Transportation charge per m <sup>3</sup> of Contract Demand	
Transportation from Dawn	18.2999 ¢ per m <sup>3</sup>
Transportation from Kirkwall	11.8480 ¢ per m <sup>3</sup>
Transportation from Parkway	11.8480 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.0601 ¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028	
<b>Federal Carbon Charge (if applicable)</b>	3.9100 ¢ per m <sup>3</sup>

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

**Unaccounted for Gas:**

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

<b>Forecasted Unaccounted for Gas Percentage</b>	0.00 %
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**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.

<b>Authorized Overrun Charge</b>	5.0000 ¢ per m <sup>3</sup>
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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**

389.0000 ¢ per m<sup>3</sup>

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:

$$[(\text{Daily volume of gas to be delivered}) * (1 + \text{Forecasted UFG}) * (1 + \text{Fuel Ratio})]$$

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](http://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: January 1, 2020

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

EB-2019-0264



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**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:

<b>Forecasted Unaccounted for Gas Percentage</b>	0.00 %
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**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.

The Gas Supply calculation shall equal:

$$[(\text{Daily volume of gas to be delivered}) * (1 + \text{Forecasted UFG}) * (1 + \text{Fuel Ratio})]$$

**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: January 1, 2020

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

EB-2019-0264



**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**Schedule of Miscellaneous and Service Charges**

<b>A</b>		<b>B</b>
<b>Service</b>		<b>Fee</b>
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 <sup>3</sup>
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	No charge for the first 30 meters.

Note: Applicable taxes will be added to the above charges

<sup>3</sup> No Charge for initial connection

**Appendix C – Proposed Customer Notice**

**IMPORTANT INFORMATION ABOUT YOUR NATURAL GAS BILL**

The rates EPCOR Natural Gas Limited (EPCOR) charges its customers are set out in EPCOR's Rate Schedules, which are approved by the Ontario Energy Board (OEB) from time to time. When EPCOR's Rate Schedules are amended by the OEB, the amended rate(s) and/or term(s) will apply to customers on the effective date established by the OEB.

On **XXX**, 2020, the OEB approved EPCOR's gas distribution rates effective January 1, 2020. For a typical residential customer who consumes about 2,100 cubic meters of gas annually, the rate change will increase the bill by \$1.07 per month. Commercial, industrial and seasonal rate customers will also be impacted by the change. Please refer to [epcor.com](http://epcor.com) or visit [OEB.ca](http://OEB.ca) for information on the current approved rates.

**The approved rates are reflected in the following line items on your EPCOR natural gas bill:**

1. **“Monthly Charge”** – This is an administration charge covering the costs of maintaining gas services and providing billing and customer service. Included in this charge, is the \$1 per month required to be billed to all customers as part of the Access to Natural Gas Act (Bill 32), which helps to facilitate the expansion of natural gas into more Ontario communities.
2. **“Delivery and Upstream Charges”** – These charges reflect the costs associated with the distribution, transportation and storage of natural gas from the source to you. This includes all charges EPCOR pays to its upstream service provider in association with transportation and storage of the gas before it is delivered to EPCOR's system. Included in this charge is a rate rider to recover revenue the utility was not able to collect as a result of delays in connecting customers to the system.
3. **“Gas Supply Charge”** – These are gas commodity costs calculated using the cost of gas you use during the period between meter readings (or based on an estimate of the gas used during that period). The commodity rate you are charged on your EPCOR bill depends upon the commodity purchase choice you have made. If you have not signed a contract with an energy retailer you are automatically billed at EPCOR's OEB approved gas commodity rate. If you have signed a contract with an energy retailer you are billed at your contracted energy retailer rate.
4. **“Federal Carbon Charge”** – This charge reflects your monthly consumption and the associated costs to deliver natural gas to your home at the rate set by the government. The money collected from this charge goes to the federal government as part of its carbon pollution pricing program.

When applicable, miscellaneous and/or service charges as set out in EPCOR's Rate Schedules, may appear on your bill in addition to the above charges. Please see the EPCOR's Conditions of Services for more detail on these charges.

Your natural gas bill includes information on the amount of natural gas you consumed in the billing period. Your consumption information is broken out to include length of the billing period, the date of your last meter reading and whether your consumption calculation was based on actual or estimated meter reading or a combination of both.

If you have any questions about the rates or any other items on your bill, please call our office at 1-888-765-2256 or email at [gas@epcor.com](mailto:gas@epcor.com).