**ONTARIO ENERGY BOARD STAFF COMMENTS**

**EPCOR Natural Gas QRAM Application EB-2020-0206**

**September 15, 2020**

1. In Schedule 1 Page 10, ENGLP had identified annual cost required to administer the procurement of natural gas supply for its Southern Bruce franchise under the M17 rate. With the exception of the ECNG nomination fee, these costs were not included as part of the Upstream Recovery charge.
	1. Please identify any staff costs that are included in the currently approved Storage and Transportation Charges and that relates to managing the gas supply function.
	2. Please identify any staff costs that are included in currently approved distribution rates and that relates to managing the gas supply function.
	3. ENGLP has identified staff costs of $185,000 related to the procurement of natural gas supply under the M17 rate. EPCOR has sought approval to record these costs in the Storage and Transportation Variance Account. Had ENGLP known of the gas supply administration costs for procuring gas supply under Rate M17 at the time of its Custom IR application, would ENGLP have recovered these costs through distribution rates? If not, how would have ENGLP recovered these costs at the time of the Custom IR?
	4. The ECNG nomination fee is based on 2020 volumes. What would be the nomination fee when all forecasted customers are connected?.
	5. Please provide a breakdown of the currently approved Upstream Recovery Charge and Transportation and Storage Charge, including the portion for the ECNG nomination fee.
2. In Schedule 1 Page 11, ENGLP is seeking permission to track the incremental gas supply administration costs in the S&TVA Rates 1, 6, & 11 and seek to clear the variance in future IRM applications.
	1. Please explain the rationale for choosing the S&TVA Rates 1,6 & 11 account to record the gas supply administration costs.
	2. Would EPCOR have the ability to separately track the costs proposed for inclusion in this application as a sub-account to the S&TVA? Please explain.
	3. When is ENGLP expecting to seek clearance of the variance account balance?
	4. Please explain how a portion of the ECNG nomination fee is already considered in the S&TVA Rates 1, 6 & 11.
3. In Schedule 5, please confirm that EB-2019-0264 was not effective until January 1, 2020. If so, please change the bill impacts dates to correctly reflect the effective date.
4. In Appendix A, please correct the footers to correctly reflect the application request.
5. In Schedule 1 Page 3, ENGLP has stated that there is a single system gas customer currently connected to the distribution system. Please provide the customer notice that accompany each customer’s first bill or invoice following the implementation of the Decision.