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December 10, 2020

Sent by EMAIL, RESS e-filing

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

Dear Ms. Long:

**Re: EB-2020-0295: Quarterly Rate Adjustment Mechanism ("QRAM") Application
EPCOR Natural Gas LP ("ENGLP") South Bruce for rates effective January 1, 2021**

Please find attached ENGLP South Bruce's QRAM Application to the Ontario Energy Board for orders effective January 1, 2021.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. Hesselink", with a stylized flourish at the end.

Tim Hesselink
Senior Manager, Regulatory Affairs
EPCOR Natural Gas Limited Partnership
(705) 445-1800 ext. 2247
THesselink@epcor.com

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership (“ENGLP”) pursuant to Section 36(1) of the Act, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of October 1, 2020.

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism (“QRAM”).

APPLICATION

1. As part of the EB-2020-0206 Decision and Interim Rate Order dated September 24, 2020 (the “Rate Order”), the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”), a Gas Purchase Rebalancing Account (“GPRA”) and a gas supply charge of \$0.129861 cents per m³, effective October 1, 2020, for ENGLP’s Southern Bruce operations.
2. Pursuant to Section 36(1) of the Act, and the QRAM approved by the Board, ENGLP hereby applies to the Board for further orders effective January 1, 2021, as follows:
 - a) an Order setting the reference price of \$0.138135 per m³, for amounts to be recorded in the PGCVA;
 - b) an Order changing the rates and other charges from those authorized by the Rate Order and subsequently updated by the Board’s Interim Decision and Rate Order dated September 24, 2020 in proceeding EB-2020-0206, to reflect a projected \$0.003109 per m³ change in the gas supply charge from the Board approved level of \$0.129861 per m³ to a projected cost of \$ 0.132970 per m³. This change is the sum of the change in the PGCVA reference price, and the change required to prospectively clear the balance of the GPRA; and
 - (c) such further Order or Orders as ENGLP may request and the Board may deem appropriate or necessary.

Regulatory Framework

3. This application is supported by written evidence that has been pre-filed with the Board and intervenors of record in proceedings EB-2018-0264 and EB-2019-0264.

4. Pursuant to the criteria established in the Board's EB-2008-0106 Decision, below is the Board's direction with respect to the timeline for processing the application
 - Any responsive comments from interested parties are filed with the Board, and served on ENGLP and other interest parties, on or before 4:45 p.m. five calendar days following the filing of the QRAM application.
 - Any reply comments from ENGLP are filed with the Board, and served on all interested parties, on or before 4:45 p.m. three calendar days following receipt of comments.
5. ENGLP respectfully requests the Board issue its Decision and Order by December 30, 2020 for implementation effective January 1, 2021.
6. The following procedures are prescribed for cost claims relating to QRAM applications, as directed by the Board:
 - Parties that meet the eligibility criteria contained in the Board's Practice Direction on Cost Awards may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.
 - Any party eligible for an award of costs must file a claim with the Board and ENGLP no later than ten days from the date of the Board's decision and order. Should ENGLP have any comments concerning any of the claims, these concerns shall be forwarded to the Board and to the claimant within seven days of receiving the claims. Any response to ENGLP's comments must be filed with the Board and ENGLP within seven days of receiving the comments.

Address for Service

7. ENGLP requests that all documents in relation to the Application and its supporting evidence, including responsive comments of any interested party, be served on ENGLP and its counsel as follows:

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DATED this 10th day of December, 2020.

EPCOR Natural Gas Limited Partnership



Tim Hesselink
Senior Manager, Regulatory Commercial Services

SCHEDULE 1- Management Summary

EPCOR NATURAL GAS LIMITED PARTNERSHIP INTRODUCTION

As part of the EB-2018-0264 Rate Order dated January 9, 2020 the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) effective January 1, 2019 for EPCOR Natural Gas Limited Partnership Southern Bruce (“ENGLP”) and a gas supply charge of \$0.115114 cents per m3, effective January 1, 2019, for ENGLP’s Southern Bruce operations. In EB-2020-0206 (Decision and Interim Rate Order dated September 24, 2020), the Board approved an increased by \$0.022241 per m3 from the previous OEB approved level of \$0.115114 per m3 to \$0.137355 per m3.

In EB-2018-0264 (Rate Order dated January 9, 2020), the Board approved a Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in ENGLP’s cost of gas supply. In EB-2020-0206 (Decision and Interim Rate Order dated September 24, 2020), the Board approved the GPRA to be cleared, resulting in an increase in the gas supply charge of \$0.014747 per m3 to \$0.129861 per m3. Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in ENGLP’s cost of gas supply.

ENGLP is proposing to set the gas supply charge, the GPRA rate and the PGCVA reference price effective January 1, 2021 to reflect an updated forecast of gas costs, the projected balance in the PGCVA and the projected balance in the GPRA.

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

Updated Forecasts

The current forecast is based on natural gas prices over the relevant period. These gas prices reflect current contracts and market conditions, including alternative energy prices, demand for natural gas, the weather outlook and the impact of current storage levels. The forecasts reflect the actual and planned procurement activities, and the actual and forecasted demand profile of the franchise area as per the most recent Southern Bruce Gas Supply Plan EB-2020-0106, filed June 15, 2020 ("Gas Supply Plan").

The PGCVA balance has been calculated using the most recent information available, including actual volumes and costs through November 2020. The remaining months in the thirteenth-month period ending December 2021 are calculated using estimated prices and volumes based on the best information available at the time of filing.

Forecast prices have been used for the period of December 2020 to December 2021, except where actual contracted prices are available.

Gas Supply Portfolio

The gas supply portfolio reflects the current and forecasted mix of delivery points utilized by ENGLP for system gas purchases. The composition of the gas supply portfolio volumes from January 2020 to December 2020 can be referenced on Schedule 3. This schedule shows the monthly volume of gas purchased, or forecast to be purchased from various delivery points and different pricing structures (including fixed, index, spot). Similarly, the composition of the gas supply portfolio volumes from January 2021 to December 2021 is shown on the top of Schedule 6.

In particular, the gas supply portfolio reflected in this QRAM application reflects the detailed Supply/Demand forecast found in the Gas Supply Plan. The structure of the purchases are as highlighted, where:

- 1 • A percentage of average forecasted consumption for the period from December 1 to March 31 of
2 the following year will be purchased as a fixed price gas landed at Dawn.
3
- 4 • A percentage of average forecasted consumption for the period from April 1 to September 30 will
5 be purchased at an AECO index plus fixed basis.
6
- 7 • For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to
8 month Dawn index purchases will be made to meet expected demand.
9
- 10 • Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal
11 adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to
12 minimize risk of triggering fees from the M17 Limited Balancing Agreement (“LBA”).
13

14 An adjustment has been made to the forecast to include additional information not available at the time of
15 filing. Due to a delay in construction, no system gas customers were connected to the distribution system
16 until November, with the exception of one. Actual consumption from August to October has been reported
17 for the single system gas customer during this period, with November’s consumption consisting of forecast
18 system gas consumption for that month. Consumption forecast from December 2020 and onwards are
19 consistent with the forecast filed in the previous QRAM (EB-2020-0206).
20

Gas Costs

ENGLP's actual and forecast gas costs from January 2020 to December 2020 are shown in Schedule 4 in \$/GJ by source of supply. These prices are also shown in the middle section of Schedule 3 in \$/m³. The bottom section of Schedule 3 shows the composition of the total system gas costs. The conversion factor used is based on the heat values used by Enbridge in their administration of the M17 service contracted by ENGLP to transport natural gas from Dawn to the Southern Bruce franchise through the Dornoch Interconnect. These conversion factors are shown in Schedule 4. All prices and costs shown are actual prices paid from May 2020 to November 2020. Prices for the remaining months in this period are based on estimates to be paid in those months. The costs shown for the remaining months are based on both the estimated prices to be paid and the estimated volumes to be purchased.

Forecast gas prices for each of the sources of supply from December 2020 to December 2021 are described below.

Actual Cost

No transactions were made in October 2020.

Dawn Spot Price Purchase Transactions: Four spot purchases at Dawn were made in November to match consumption from the grain dryer customer. Spot deals were made rather than an index or a term price deal due to the unpredictable nature of consumption for the customer, a grain dryer. Purchases were made in anticipation of consumption forecast based on limited historical data, as well as to keep the limit the M17 LBA imbalance.

Dawn Index Price Transactions: ENGLP has not entered into any Dawn Index Price Transactions as of December, 2020.

AECO Index Price Transactions: ENGLP has not entered into any AECO Index Price Transactions as of December, 2020.

1 Dawn Spot Price Sales Transactions: ENGLP has not entered into any Dawn Spot Price Sales Transactions
2 as of December, 2020.

3 Forecast Pricing
4

5 As noted earlier, ENGLP purchases gas from the market at Dawn. The structure of the purchases are as
6 highlighted in the Gas Supply Plan, where:

- 7
- 8 • A percentage of average forecasted consumption for the period between December 1 and March 31
9 of the following year will be purchased as a fixed price gas landed at Dawn.
- 10
- 11 • A percentage of average forecasted consumption for the period between April 1 and September 30
12 will be purchased at an AECO index plus fixed basis.
- 13
- 14 • For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to
15 month Dawn index purchases will be made to meet expected demand.
- 16
- 17 • Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal
18 adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to
19 minimize risk of triggering fees from the M17 LBA.
- 20

21 The price forecast for this gas reflects the 21 trading day average of the two hubs relevant to the Gas Supply
22 Plan – Dawn and AECO. Forecast prices for all 12 forward months are taken as the arithmetic average of
23 Daily Closing Forward Price for 21 days of each forward month. Noon day average foreign exchange rate
24 of each trading day is used to convert Dawn settlement prices in USD to CAD. Dawn settlement prices
25 were also converted from mmBtu to GJ. These monthly prices are applied to the forecast volume of gas
26 purchases in the Gas Supply Plan. Forecasted price for the fixed priced Dawn purchase for December 2020
27 to March 2021 is calculated as the 21 trading day average for those future delivery periods at Dawn.
28 Forecasted price for the AECO index purchase from April 2021 to September 2021 is calculated as the 21
29 trading day average for those future delivery periods at AECO, plus a fixed basis calculated as the average
30 of the monthly spread between the average Dawn and AECO prices for those months.

1 Other Forecast Assumptions

2 The heat value used to convert GJ to m³ is 39.28 GJ/10³ m³ for gas delivered from Enbridge. This is
3 consistent with the figure used by Enbridge for gas nominated into the M17 and for managing the M17
4 LBA, which tracks total consumption for the Southern Bruce franchise on a per GJ basis. ENGLP uses this
5 conversion factor to calculate the cost in \$/GJ and for the pricing of system gas volumes. This is an annual
6 average heat rate that will be adjusted annually on April 1st.

7
8 PGCVA Balance
9

10 The projected December, 2020 balance in the PGCVA is a credit of \$58,538.16 including a credit of
11 \$160.75 in accumulated interest, based on the Board's prescribed interest rate. This estimate is based on
12 actual and forecasted purchases starting May, 2020. As residential customers did not connect to the system
13 until November, the PGCVA debit amounts' impact for a typical residential customer has not been
14 reviewed.

15
16 Proposed PGCVA Rate Changes

17 ENGLP proposes to adjust the reference price effective January 1, 2021 based on the projected accumulated
18 balance in the PGCVA as of the end of December, 2020 and the forecasted cost of gas over the twelve-
19 month period. The reference price is set such that the projected PGCVA balance at the end of December,
20 2021 is close to zero.

21
22 ENGLP's proposal will clear the PGCVA balance on a prospective basis, eliminating the need for
23 retroactive adjustments. This is consistent with ENGLP Aylmer's past proposals in QRAM applications,
24 which have been accepted by the Board.

25
26 ENGLP proposes to increase the reference price by \$0.000780 per m³ effective January 1, 2021, (from
27 \$0.137355 per m³ to \$0.138135 per m³.) The derivation of this rate is shown in Schedule 5. This is the
28 reference price required to bring the PGCVA balance close to zero on a twelve-month forecast basis. This
29 change will also be reflected in the gas commodity charge.
30

31 **GAS PURCHASE REBALANCING ACCOUNT**

The impact on the GPRA of the proposed January 1, 2021 PGCVA reference price change from \$0.137355 per m³ to \$0.138135 per m³ is a credit of \$2,036.26, as shown on Schedule 8. This figure is shown in column (K) of Schedule 8 on the December, 2020 line. It is calculated as the change in the PGCVA reference price between December, 2020 and January, 2021, multiplied by the cumulative inventory balance at the end of November, 2020. This cumulative inventory balance is the sum of the forecasted monthly inventory balances for October, 2020 and forecasts for the subsequent months. These forecasts will be replaced with actual balances for these months in subsequent QRAM applications as this information becomes available. As well, the monthly inventory balances are based on a deemed level of unaccounted for gas ("UFG") of the total throughput volume, as shown in column (F) of Schedule 8. The 0.0% is the Board approved level of UFG from EB-2018-0264.

ENGLP proposes to adjust the gas commodity charge effective January 1, 2021 based on the projected accumulated balance in the GPRA. The adjustment to the gas commodity charge will be set such that the projected GPRA balance at the end of December, 2021 will be close to zero. The rate required to achieve this is shown in column (L) on Schedule 8. Column (Q) shows the reduction of the inventory revaluation balance based on this rate of -0.005165 per m³ over the January, 2021 through December, 2021 period.

ENGLP's proposal will clear the GPRA balance on a prospective basis, eliminating the need for retroactive adjustments. This is consistent with ENGLP Aylmer's proposal for the continued prospective clearance of the PGCVA. This change will also be reflected in the gas commodity charge.

GAS COMMODITY CHARGE

The change in the gas commodity charge proposed for January 1, 2021 is summarized below. The change in the gas commodity charge reflects both the change in the PGCVA reference price and the change in the recovery of the inventory revaluation amount in the GPRA. It does not reflect the approved change in the system gas supply cost. The change in the gas commodity charge is as follows:

	<u>1-Oct-20</u>	<u>1-Jan-21</u>	<u>Difference</u>
PGCVA Reference Price	0.137355	0.138135	0.000780
<u>GPRA Recovery</u>	<u>(0.007494)</u>	<u>(0.005165)</u>	<u>0.002329</u>
Gas Commodity Charge	0.129861	0.132970	0.003109

SUMMARY

In summary, ENGLP proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.137355 by \$0.000780 to \$0.138135 per m³ effective January 1, 2021. Appendix B contains the accounting entries related to the PGCVA.

ENGLP also proposes to change the gas supply charge from \$0.129861 to \$0.132970 per m³ effective January 1, 2021. This change reflects the change in the PGCVA reference price, as described above, the change related to the recovery of the GPRA balance, also as described above. These changes apply to all system gas customers served under Rates 1, 6, and 11.

The proposed rate schedules are attached as Appendix A. The proposed rate schedules in Appendix A reflect the changes effective January 1, 2021 related to this QRAM application.

Schedule 9 provides a bill comparison showing the impact of the changes in the proposed gas commodity charge on a year over year basis for the appropriate quarter as well as the annual bill impact of the most recent quarterly change for an average residential customer. The annual bill impact related to the change in the commodity charges on a customer consuming approximately 2,149.0 m³ is an increase of \$6.68. This average use figure of 2,149.0 m³ is consistent with the bill impacts presented in ENGLP's 2020 Incentive Rate-setting Mechanism application (EB-2019-0264) and reflects the Board's expectation that QRAM applications would provide bill impacts based on this level for a typical residential customer.

Customer rate impacts have been calculated using the draft Decision and Rate Order prepared for the South Bruce IRM filing for rates effective January 1, 2021 (EB-2020-0233), as the applications are being reviewed concurrently. ENGLP will file a revised submission if required, but has chosen to present the impacts based on the expected rates at the time of implementation due to the mechanistic nature of the IRM rate filing. ENGLP is planning on sending a notice to customers to notify of the rate changes to be included with bills issued during January 2021.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2020 TO DECEMBER, 2020

<u>Act/Fcst</u>	<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Actual/ Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3) (1)</u>	<u>Monthly Interest Rate</u>
Actual	January	0	0	<u>0.000000</u>	<u>0.115114</u>	<u>0.115114</u>	0.00	0.00	0.00	0.00	0.00	0.00	0.0	2.18%
Actual	February	0	0	<u>0.000000</u>	<u>0.115114</u>	<u>0.115114</u>	0.00	0.00	0.00	0.00	0.00	0.00	0.0	2.18%
Actual	March	0	0	<u>0.000000</u>	<u>0.115114</u>	<u>0.115114</u>	0.00	0.00	0.00	0.00	0.00	0.00	0.0	2.18%
Actual	April	0	0	<u>0.000000</u>	<u>0.115114</u>	<u>0.115114</u>	0.00	0.00	0.00	0.00	0.00	0.00	0.0	2.18%
Actual	May	26,085	303,870	<u>0.085844</u>	<u>0.115114</u>	<u>0.029270</u>	8,894.26	8,894.26	0.00	0.00	8,894.26	8,894.26	0.0	2.18%
Actual	June	51,075	572,811	<u>0.089166</u>	<u>0.115114</u>	<u>0.025948</u>	14,863.29	23,757.55	16.16	16.16	14,879.45	23,773.71	0.0	2.18%
Actual	July	52,778	591,904	<u>0.089166</u>	<u>0.115114</u>	<u>0.025948</u>	15,358.73	39,116.28	11.28	27.44	15,370.01	39,143.72	0.0	2.18%
Actual	August	63,635	682,281	<u>0.093268</u>	<u>0.115114</u>	<u>0.021846</u>	14,905.11	54,021.39	18.58	46.02	14,923.69	54,067.41	0.0	2.18%
Actual	September	35,258	376,375	<u>0.093679</u>	<u>0.115114</u>	<u>0.021435</u>	8,067.59	62,088.98	25.66	71.68	8,093.25	62,160.66	0.0	2.18%
Actual	October	0	0	<u>0.000000</u>	<u>0.137355</u>	<u>0.137355</u>	0.00	62,088.98	29.49	101.17	29.49	62,190.15	0.0	0.57%
Actual	November	7,142	61,100	<u>0.116887</u>	<u>0.137355</u>	<u>0.020468</u>	1,250.59	63,339.57	29.49	130.66	1,280.08	63,470.23	212.9	0.57%
<u>Forecast</u>	<u>December</u>	<u>152,171</u>	<u>1,071,741</u>	<u>0.141985</u>	<u>0.137355</u>	<u>(0.004630)</u>	<u>(4,962.16)</u>	<u>58,377.41</u>	<u>30.09</u>	<u>160.75</u>	<u>(4,932.07)</u>	<u>58,538.16</u>	<u>278.0</u>	<u>0.57%</u>
	Total	388,144	3,660,081	0.106048			58,377.41	58,377.41	160.75	160.75	58,538.16	58,538.16	490.9	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.015994
Forecast Average Residential Consumption per Customer 2,149.0 M*3
Estimated Impact on Average Residential Customer \$34.37 Customer Rebate

(1) No residential consumption expected November 2020

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2020 TO DECEMBER, 2020

	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	61,100	5,524	66,624
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	-	0
Dawn Fixed Price	0	0	0	0	0	572,811	591,904	394,603	376,375	0	0	1,066,217	3,001,909
Spot purchase	0	0	0	0	303,870	0	0	287,678	0	0	0	0	591,548
Spot sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	303,870	572,811	591,904	682,281	376,375	0	61,100	1,071,741	3,660,081
<u>Price (\$/m3)</u>													
Dawn Day Ahead Index	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.116887	0.163049	
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Fixed Price	0.000000	0.000000	0.000000	0.000000	0.000000	0.089166	0.089166	0.093679	0.093679	0.000000	0.000000	0.141875	
Spot purchase	0.000000	0.000000	0.000000	0.000000	0.085844	0.000000	0.000000	0.092704	0.000000	0.000000	0.000000	0.000000	
Spot sale	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	7,142	901	8,042
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	0	0	0	0	0	51,075	52,778	36,966	35,258	0	0	151,270	327,347
Spot purchase	0	0	0	0	26,085	0	0	26,669	0	0	0	0	52,754
Spot sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	26,085	51,075	52,778	63,635	35,258	0	7,142	152,171	388,144

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2020 TO DECEMBER, 2020

[illegible]

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2021 TO DECEMBER, 2021
(WITH CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
January	52,907	355,143	0.148974	0.138135	(0.010839)	(3,849.36)	54,528.05	27.73	188.48	(3,821.63)	54,716.53	316.3	0.57%
February	65,826	431,976	0.152385	0.138135	(0.014250)	(6,155.62)	48,372.43	25.90	214.38	(6,129.72)	48,586.81	317.4	0.57%
March	53,776	360,667	0.149102	0.138135	(0.010967)	(3,955.40)	44,417.03	22.98	237.36	(3,932.42)	44,654.39	268.8	0.57%
April	102,603	726,324	0.141264	0.138135	(0.003129)	(2,272.60)	42,144.43	21.10	258.46	(2,251.50)	42,402.89	195.5	0.57%
May	141,313	1,051,222	0.134427	0.138135	0.003708	3,898.02	46,042.45	20.02	278.48	3,918.04	46,320.93	125.6	0.57%
June	113,509	846,996	0.134014	0.138135	0.004121	3,490.54	49,532.99	21.87	300.35	3,512.41	49,833.34	77.0	0.57%
July	111,002	806,568	0.137623	0.138135	0.000512	413.03	49,946.02	23.53	323.88	436.56	50,269.90	61.7	0.57%
August	93,698	672,403	0.139348	0.138135	(0.001213)	(815.57)	49,130.45	23.72	347.60	(791.85)	49,478.05	63.0	0.57%
September	117,187	830,957	0.141027	0.138135	(0.002892)	(2,403.05)	46,727.40	23.34	370.94	(2,379.71)	47,098.34	86.9	0.57%
October	157,131	1,089,104	0.144275	0.138135	(0.006140)	(6,687.00)	40,040.40	22.20	393.14	(6,664.80)	40,433.54	145.9	0.57%
November	229,540	1,500,764	0.152948	0.138135	(0.014813)	(22,230.69)	17,809.71	19.02	412.16	(22,211.67)	18,221.87	212.9	0.57%
December	<u>98,794</u>	<u>583,223</u>	<u>0.169393</u>	0.138135	(0.031258)	<u>(18,230.33)</u>	<u>(420.62)</u>	<u>8.46</u>	<u>420.62</u>	<u>(18,221.87)</u>	<u>(0.00)</u>	<u>278.0</u>	0.57%
Total	1,337,287	9,255,347	0.144488			(58,798.03)	(420.62)	259.87	420.62	(58,538.16)	(0.00)	2,149.0	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.000000)
Forecast Average Residential Consumption per Customer 2,149.0 M*3
Estimated Impact on Average Residential Customer \$0.00 Customer Charge

(1) Includes December, 2020 year-to-date balance of \$58,377.41 (See Schedule 2)
(2) Includes December, 2020 year-to-date balance of \$160.75 (See Schedule 2)

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2021 TO DECEMBER, 2021

	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	0	61,100	5,524	0	111,202	5,524	468,941	785,260	589,613	540,606	406,441	573,574	3,547,785
AECO 5A	0	0	-	0	0	0	257,383	265,962	257,383	265,962	265,962	257,383	1,570,035
Dawn Fixed Price	0	0	1,066,217	355,143	320,774	355,143	0	0	0	0	0	0	2,097,277
Spot purchase	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	61,100	1,071,741	355,143	431,976	360,667	726,324	1,051,222	846,996	806,568	672,403	830,957	7,215,097
<u>Price (\$/m3)</u>													
Dawn Day Ahead Index	0.000000	0.116887	0.163049	0.000000	0.162222	0.157324	0.142237	0.134125	0.133740	0.137580	0.139288	0.140854	
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.139490	0.135319	0.134639	0.137711	0.139440	0.141411	
Dawn Fixed Price	0.000000	0.000000	0.141875	0.148974	0.148974	0.148974	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Spot purchase	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Spot sale	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Dawn Day Ahead Index	0	7,142	901	0	18,039	869	66,701	105,323	78,855	74,376	56,613	80,790	489,609
AECO 5A	0	0	0	0	0	0	35,902	35,990	34,654	36,626	37,086	36,397	216,655
Dawn Fixed Price	0	0	151,270	52,907	47,787	52,907	0	0	0	0	0	0	304,871
Spot purchase	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	7,142	152,171	52,907	65,826	53,776	102,603	141,313	113,509	111,002	93,698	117,187	1,011,135

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2021 TO DECEMBER, 2021

[illegible]

EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

JANUARY, 2020 THROUGH DECEMBER, 2021

Month	Purchase Volume (M ³) A	Throughput Volume (M ³) B	Direct Purchase Volume (M ³) C	System Sales Volume (M ³) D=B-C	Deemed U.F.G. (M ³) E	System Sales + U.F.G. (M ³) F=D+E	Monthly Inventory Balance (M ³) G=A-F	Cumulative Inventory (M ³) H	Reference Price (\$/M ³) I	Inventory Revaluation (\$/s) J	Inventory Rate (\$/M ³) K	Inventory Recovery (\$/s) L=KxD	Y-T-D GPRA Balance (\$/s) M	Monthly Interest (\$/s) N	Y-T-D Interest (\$/s) O	Total Y-T-D GPRA (\$/s) P=M+O	Monthly Interest Rate
January	0	0	0	0	0	0	0	0	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
February	0	0	0	0	0	0	0	0	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
March	0	0	0	0	0	0	0	0	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
April	0	0	0	0	0	0	0	0	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
May	303,870	0	0	0	0	0	303,870	303,870	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
June	572,811	0	0	0	0	0	572,811	876,680	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
July	591,904	0	0	0	0	0	591,904	1,468,585	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
August	682,281	4,936	0	4,936	0	4,936	677,345	2,145,930	0.115114	0.00	0.000000	0.00	0.00	0.00	0.00	0.00	2.18%
September	376,375	7,469	0	7,469	0	7,469	368,906	2,514,835	0.115114	55,932.45	0.000000	0.00	55,932.45	0.00	0.00	55,932.45	2.18%
October	0	64,209	0	64,209	0	64,209	(64,209)	2,450,627	0.137355	0.00	(0.007494)	(481.18)	55,451.27	26.57	26.57	55,477.84	0.57%
November	61,100	63,214	0	63,214	0	63,214	(2,114)	2,448,513	0.137355	0.00	(0.007494)	(473.73)	54,977.54	26.34	52.91	55,030.45	0.57%
December	1,071,741	909,963	0	909,963	0	909,963	161,778	2,610,291	0.137355	2,036.26	(0.007494)	(6,819.26)	50,194.54	26.11	79.02	50,273.56	0.57%
January	355,143	1,064,124	0	1,064,124	0	1,064,124	(708,981)	1,901,309	0.138135	0.00	(0.005165)	(5,496.20)	44,698.34	23.84	102.86	44,801.20	0.57%
February	431,976	1,119,787	0	1,119,787	0	1,119,787	(687,811)	1,213,499	0.138135	0.00	(0.005165)	(5,783.70)	38,914.64	21.23	124.09	39,038.73	0.57%
March	360,667	983,860	0	983,860	0	983,860	(623,193)	590,306	0.138135	0.00	(0.005165)	(5,081.63)	33,833.01	18.48	142.57	33,975.58	0.57%
April	726,324	726,285	0	726,285	0	726,285	39	590,345	0.138135	0.00	(0.005165)	(3,751.26)	30,081.75	16.07	158.64	30,240.39	0.57%
May	1,051,222	455,207	0	455,207	0	455,207	596,015	1,186,361	0.138135	0.00	(0.005165)	(2,351.14)	27,730.61	14.29	172.93	27,903.54	0.57%
June	846,996	269,760	0	269,760	0	269,760	577,236	1,763,597	0.138135	0.00	(0.005165)	(1,393.31)	26,337.30	13.17	186.10	26,523.40	0.57%
July	806,568	210,082	0	210,082	0	210,082	596,486	2,360,083	0.138135	0.00	(0.005165)	(1,085.07)	25,252.23	12.51	198.61	25,450.84	0.57%
August	672,403	276,967	0	276,967	0	276,967	395,436	2,755,519	0.138135	0.00	(0.005165)	(1,430.54)	23,821.69	11.99	210.60	24,032.29	0.57%
September	830,957	467,969	0	467,969	0	467,969	362,988	3,118,507	0.138135	0.00	(0.005165)	(2,417.06)	21,404.63	11.32	221.92	21,626.55	0.57%
October	1,089,104	1,089,067	0	1,089,067	0	1,089,067	37	3,118,544	0.138135	0.00	(0.005165)	(5,625.03)	15,779.60	10.17	232.09	16,011.69	0.57%
November	1,500,764	1,500,640	0	1,500,640	0	1,500,640	124	3,118,668	0.138135	0.00	(0.005165)	(7,750.80)	8,028.80	7.50	239.59	8,268.39	0.57%
December	583,223	1,602,198	0	1,602,198	0	1,602,198	(1,018,975)	2,099,693	0.138135	0.00	(0.005165)	(8,275.35)	(246.55)	3.81	243.40	(3.15)	0.57%

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jan-20 <u>EB-2020-0206</u>	Quarter Starting 01-Jan-21 <u>EB-2020-0295</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	902.5	902.5		
Monthly Charges	\$79.14	\$80.34	\$1.20	1.5%
Delivery Charges	\$242.22	\$246.00	\$3.78	1.6%
Upstream Charges	\$26.57	\$26.57	\$0.00	0.0%
Total Commodity Charges	<u>\$117.20</u>	<u>\$120.00</u>	<u>\$2.81</u>	<u>2.4%</u>
Total Customer Charges	\$465.13	\$472.91	\$7.78	1.7%

ANNUAL BILL IMPACT

	01-Jan-20 <u>EB-2020-0206</u>	01-Jan-21 <u>EB-2020-0295</u>	\$ Change	Percent Change
Average Residential Consumption	2,149.0	2,149.0		
Monthly Charges	\$316.56	\$321.36	\$4.80	1.5%
Delivery Charges	\$578.78	\$587.81	\$9.03	1.6%
Upstream Charges	\$89.66	\$89.66	\$0.00	0.0%
Total Commodity Charges	<u>\$279.07</u>	<u>\$285.75</u>	<u>\$6.68</u>	<u>2.4%</u>
Total Customer Charges	\$1,264.07	\$1,284.58	\$20.51	1.6%

RATES USED (1)

	01-Jan-20 <u>EB-2020-0206</u>	01-Jan-21 <u>EB-2020-0295</u>
Monthly Charge	26.38	26.78
Delivery Charge - first 100 m3	0.271967	0.276210
Delivery Charge - next 400 m3	0.266610	0.270769
Delivery Charge - after 500 m3	0.258735	0.262771
Upstream Charges - Recovery	0.014740	0.014740
Upstream Charges - Tport Storage	0.026982	0.026982
Gas Supply Charge	0.129861	0.132970

(1) Rates shown do not include any rate riders or carbon charges.

APPENDIX "A" TO
DECISION AND RATE ORDER
OEB File No: EB-2020-0295
Dated: December XX, 2020

RATE 1 - General Firm Service

Applicability

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

Rate

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

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

Monthly Fixed Charge⁽¹⁾	\$26.78
Delivery Charge	
First 100 m ³ per month	27.6210 ¢ per m ³
Next 400 m ³ per month	27.0769 ¢ per m ³
Over 500 m ³ per month	26.2771 ¢ per m ³
Upstream Charges	
Upstream Recovery charge	1.4740 ¢ per m ³
Transportation and Storage charge	2.6982 ¢ per m ³
Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028	1.6330 ¢ per m ³
Federal Carbon Charge (if applicable)	5.8700 ¢ per m ³
Gas Supply Charge	13.2970 ¢ per m ³

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

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, 2021

Implementation: All bills rendered on or after January 1, 2021

EB-2020-0295

RATE 6 – Large Volume General Firm Service

Applicability

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

Rate

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

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

Monthly Fixed Charge⁽¹⁾	\$106.15
Delivery Charge	
First 1,000 m ³ per month	25.4811 ¢ per m ³
Next 6,000 m ³ per month	22.9330 ¢ per m ³
Over 7,000 m ³ per month	21.7862 ¢ per m ³
Upstream Charges	
Upstream Recovery charge	2.9200 ¢ per m ³
Transportation and Storage charge	5.6413 ¢ per m ³
Rate Rider for Delay in Revenue Recovery	0.9090 ¢ per m ³
- effective for 10 years ending December 31, 2028	
Federal Carbon Charge (if applicable)	5.8700 ¢ per m ³
Gas Supply Charge	13.2970 ¢ per m ³

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

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, 2021

Implementation: All bills rendered on or after January 1, 2021

EB-2020-0295

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 m³.

Rate

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

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

	May 1 through December 15
Monthly Fixed Charge⁽¹⁾	\$211.29
Delivery Charge	
All volumes delivered	15.8280 ¢ per m ³
Upstream Charges	
Upstream Recovery charge	0.0352 ¢ per m ³
Transportation and Storage charge	1.8166 ¢ per m ³
Rate Rider for Delay in Revenue Recovery - effective for 10 years ending December 31, 2028	0.5524 ¢ per m ³
Federal Carbon Charge (if applicable)	5.8700 ¢ per m ³
Gas Supply Charge	12.9861 ¢ per m ³

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

Unaccounted for Gas (UFG):

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

Forecasted Unaccounted for Gas Percentage	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.

Authorized Overrun Charge	16.4933 ¢ per m³
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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 Charge394.9668 ¢ per m³

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

Nominations:

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

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

The nomination calculation shall equal:

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

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

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

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

Load Balancing:

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

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

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

Direct Purchase Delivery

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

Terms and Conditions of Service

1. In any year, during the period of May 1 through December 15 inclusive, the customers shall receive continuous (“Firm”) service from EPCOR, except where impacted by events as specified in EPCOR Natural Gas Limited

Partnership Southern Bruce Natural Gas Operations Conditions of Service including force majeure. During the period of December 16 through April 30 inclusive, any authorized overrun service shall be interruptible at the sole discretion of EPCOR. All service during the period December 16 through April 30 inclusive shall be subject to EPCOR's prior authorization under the daily nomination procedures outlined in this Rate Schedule and shall constitute Overrun Gas.

2. To the extent that EPCOR's Upstream Service Provider provides any seasonal or day-to-day balancing rights for EPCOR, the customer shall be entitled to a reasonable proportion of such balancing rights as determined by EPCOR from time to time. If the customer utilizes any of EPCOR's seasonal or day-to-day balancing services or any other services available from the Upstream Service Provider, the customer agrees to comply with all balancing requirements imposed by the Upstream Service Provider. The customer also agrees to be liable for its share of any such usage limitations or restrictions, fees, costs or penalties associated with the usage of such services, including but not limited to any associated storage fees, daily or cumulative balancing fees or penalties, and gas commodity costs as determined by EPCOR, acting reasonably.
3. EPCOR receives upstream services under the Union Gas Limited M17 Rate Schedule. Details of this upstream arrangement and associated nomination standards and Load Balancing Arrangement are available at www.uniongas.com.
4. The provisions in the "EPCOR Natural Gas Limited Partnership Southern Bruce Natural Gas Operations Conditions of Service" apply, as contemplated therein, to service under this Rate Schedule.

Effective: January 1, 2021

Implementation: All bills rendered on or after January 1, 2021

EB-2020-0295

RATE 16 – Contracted Firm Service

Applicability

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

Rate

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

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

Monthly Fixed Charge⁽¹⁾	\$1,547.25
Delivery Charge	
Per m ³ of Contract Demand	105.4686 ¢ per m ³
Upstream Charges	
Upstream Recovery charge per m ³ of Contract Demand	14.2434 ¢ per m ³
Transportation charge per m ³ of Contract Demand	
Transportation from Dawn	18.2999 ¢ per m ³
Transportation from Kirkwall	11.8480 ¢ per m ³
Transportation from Parkway	11.8480 ¢ per m ³
Rate Rider for Delay in Revenue Recovery	0.0601 ¢ per m ³
- effective for 10 years ending December 31, 2028	
Federal Carbon Charge (if applicable)	5.8700 ¢ per m ³

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

Unaccounted for Gas:

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

Forecasted Unaccounted for Gas Percentage	0.00 %
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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.

Authorized Overrun Charge	5.1542 ¢ per m ³
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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

395.0684 ¢ per m³

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

Nominations:

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

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

The nomination calculation shall equal:

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

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:

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

Terms and Conditions of Service

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

Effective: January 1, 2021

Implementation: All bills rendered on or after January 1, 2021

EB-2020-0295

RATE T1 – Direct Purchase Contract Rate

Availability

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

Eligibility

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

Rate

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

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

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

Unaccounted for Gas:

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

Forecasted Unaccounted for Gas Percentage

0.00 %

Gas Supply:

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

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

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, 2021

Implementation: All bills rendered on or after January 1, 2021

EB-2020-0295

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Schedule of Miscellaneous and Service Charges

A		B
Service		Fee
1	Service Work	
2	During normal working hours	
3	Minimum charge (up to 60 minutes)	\$100.00
4	Each additional hour (or part thereof)	\$100.00
5	Outside normal working hours	
6	Minimum charge (up to 60 minutes)	\$130.00
7	Each additional hour (or part thereof)	\$105.00
8		
9	Miscellaneous Charges	
10	Returned Cheque / Payment	\$20.00
11	Replies to a request for account information	\$25.00
12	Bill Reprint / Statement Print Requests	\$20.00
13	Consumption Summary Requests	\$20.00
14	Customer Transfer / Connection Charge	\$35.00 ³
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

³ No Charge for initial connection

**APPENDIX “B” TO
DECISION AND RATE ORDER**

OEB File No: EB-2020-0295

Dated: December XX, 2020

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Accounting Entries for the Purchased Gas Commodity Variance Account

Note: Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

To record monthly as a debit (credit) in Deferral Account No. 179-27 (PGCVA) the decrease (increase) to reflect the projected changes in gas costs and prospective recovery of the balances of the gas supply deferral accounts approved by the Board for rate making purposes.

Debit/Credit Account No. 179-27 Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit Account No. 623 Cost of Gas

To record as a debit (credit) in Deferral Account No. 179-28, interest on the balance in Deferral Account

Debit/Credit Account No. 179-28 Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

**APPENDIX “C” TO
DECISION AND RATE ORDER**

OEB File No: EB-2020-0295

Dated: December XX, 2020

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

Gas Commodity:

On all bills rendered by EPCOR on or after January 1, 2021, the price we charge for the gas commodity and transportation portion of your bill will be increasing by \$0.003109 per cubic meter to \$0.132970 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects that it will be paying to its gas suppliers through to the end of December, 2021. On your gas bill this cost is on the line entitled "Gas Commodity".

As a regulated utility, EPCOR is permitted to recover what it pays for the purchase of gas plus any costs reasonably associated with this purchase but with no mark up or 'profit'. The price the utility charges you is based on the forecasted gas and transportation costs to EPCOR, which are periodically reviewed by the OEB and reconciled with actual costs. The gas commodity portion gets adjusted regularly throughout the year as the price of the gas commodity changes.

How will the price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 2,150 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$6.68 per year. For customers who have arranged to have their gas supplied by a gas marketer/broker, the price may or may not change depending on the terms of the contract the customer has with the gas marketer/broker.

If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

We would like to thank you for choosing to make natural gas your energy of choice.