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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-2020-0296: Quarterly Rate Adjustment Mechanism ("QRAM") Application
EPCOR Natural Gas LP ("ENGLP") Aylmer for rates effective January 1, 2021**

Please find attached ENGLP Aylmer'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", is positioned below the word "Sincerely,".

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

c. All intervenors in EB-2018-0336
Arturo Lau, *OEB Staff*
Randy Aiken, *Aiken & Associates*
Susannah Robinson, *EPCOR*
Kenneth Poon, *EPCOR*

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership (ENGLP) 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 January 1, 2021;

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism.

APPLICATION

1. As part of the EB-2020-0218 Decision and Interim Rate Order dated September 24, 202 (Revised September 28, 2020), the Ontario Energy Board (“Board”) approved a PGCVA reference price of \$0.128209 per m³ and a gas supply charge of \$0.133077 per m³, both effective October 1, 2020.
2. Based on actual and forecast natural gas prices for the January, 2020 through December, 2020 period the PGCVA balance is projected to be a charge of approximately \$2.94 per residential customer.
3. ENGLP hereby applies to the Board for further orders effective January 1, 2021, as follows:
 - a) an order changing the reference price authorized by the Board’s EB-2020-0218 Decision and Interim Rate Order for use in determining the amounts to be recorded in the Purchased Gas Commodity Variance Account (Account No. 179-27) by \$0.005026 per m³ from the Board approved level of \$0.128209 per m³ to \$0.133235 per m³;

- b) an order changing the rates and other charges from those authorized by the Board's EB-2020-0218 Decision and Interim Rate Order to reflect a projected \$0.002066 per m³ change in the gas supply charge from the Board approved level of \$0.133077 per m³ to a projected cost of \$0.135143 per m³. This change is the sum of the change in the PGCVA reference price, the change required to prospectively clear the balance of the Gas Purchase Rebalancing Account and the continuation of the system gas supply cost approved in EB-2018-0336.
4. This application will be supported by written evidence that will be pre-filed with the Board and intervenors of record in EB-2018-0336.
5. 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:
- * Parties to this proceeding wishing to make comments on the application may do so by filing such submissions with the Board Secretary (two hard copies plus an electronic copy by e-mail) and ENGLP no later than 4:45 p.m. five calendar days following the filing of the QRAM application;
 - * ENGLP shall reply to any comments received by filing such replies with the Board Secretary (two hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:45 p.m. three calendar days following receipt of comments;
 - * The Board issues its Decision and Order by the 25th of the month for implementation effective January 1, 2021.
6. The address of service for EPCOR Natural Gas Limited Partnership is:

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EPCOR Natural Gas Limited Partnership
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Telephone: (705)-445-1800 ext. 2274

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And

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Telephone: (519) 351-8624
E-mail: randy.aiken@sympatico.ca

Dated at Collingwood, Ontario, this 10th day of December, 2020.

EPCOR Natural Gas Limited Partnership

Tim Hesselink
Senior Manager, Regulatory Affairs, Ontario
EPCOR Utilities Inc.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

INTRODUCTION

As part of the EB-2020-0218 Decision and Interim Rate Order dated September 24, 2020 (Revised September 28, 2020) the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) reference price of \$0.128209 per m³ and a gas commodity charge of \$0.133077 per m³, both effective October 1, 2020 for EPCOR Natural Gas Limited Partnership (“ENGLP”).

In RP-2002-0147/EB-2003-0286 (Accounting Order dated January 30, 2004), 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 PGCVA reference price. This account was maintained in the EB-2018-0336 Decision and Interim Rate Order dated July 4, 2019. In EB-2020-0218, the Board approved a GPRA rate of \$0.004433 per m³.

ENGLP is proposing to adjust 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

Based on actual and forecast costs, the PGCVA account balance totals a charge of \$2.94 per average residential customer for the twelve-month period ending December, 2020 (Schedule 2).

The current forecast reflects the forecast for natural gas prices over the relevant period. These gas prices reflect current contracts and current market conditions, including

December, 2020

1 alternative energy prices, demand for natural gas, the weather outlook and the impact of
2 current storage levels. These impacts are reflected in the concurrent EB-2020-264
3 QRAM application dated December 9, 2020 for the Union South rate zone filed by
4 Enbridge Gas Inc. (“Enbridge”).

5
6 The PGCVA balance has been calculated using the most recent information available,
7 including actual volumes and costs through October, 2020. The remaining months in the
8 twelve-month period ending December, 2020 are calculated using estimated prices and
9 volumes based on the best information available at the time of filing.

10
11 Forecast prices have been used for the period January, 2021, through December, 2021
12 period, except where actual contracted prices are available.

13 14 **GAS SUPPLY PORTFOLIO**

15 The gas supply portfolio reflects the current and forecasted mix of delivery points utilized
16 by ENGLP for system gas purchases. In particular, the gas supply portfolio reflected in
17 this QRAM application reflects the Detailed Supply/Demand Forecast found in Appendix
18 B to ENGL’s Annual Gas Supply Plan Update (EB-2020-0106) filed on May 1, 2020.
19 This is consistent with the statement in the April 1, 2020 QRAM application (EB-2020-
20 0093) in which ENGLP stated that it was in the process of updating its gas supply plan
21 which was expected to be filed with the Board in May and that subsequent QRAM filings
22 would reflect and align with the gas supply plan filing (Schedule 1, page 2 of EB-2020-
23 0093).

24
25 ENGLP’s gas supply portfolio continues to include system gas purchases from Enbridge
26 and from a local producer.

27
28 ENGLP is a system gas customer on the Enbridge system on behalf of its own system gas
29 customers. ENGLP continues to have direct purchase customers on its system and
30 continues to ensure that they continue to balance their supply with their demand.

1 In addition to the system gas purchased from Enbridge noted above, ENGLP purchases
2 gas from a local producer in its franchise area. The monthly purchases for each of the
3 sources of supply are consistent with the figures in the annual gas supply that was filed
4 with the Board on May 1, 2020 and noted above.

5
6 The composition of the gas supply portfolio volumes for the January, 2020 through
7 December, 2020 period is shown on the top of Schedule 3. This schedule shows the
8 monthly volume of gas purchased or forecast to be purchased from the local producer and
9 from Enbridge. Similarly, the composition of the gas supply portfolio volumes for the
10 January, 2021 through December, 2021 period is shown on the top of Schedule 6.

11 **HISTORICAL GAS COSTS**

12
13
14 ENGLP's actual and forecast gas costs for the January, 2020 through December, 2020
15 period, by source of supply, are shown in Schedule 4 in \$/GJ. These prices are also
16 shown in the middle section of Schedule 3 in \$/m³. The bottom section of Schedule 3
17 shows the composition of the total system gas costs. The conversion factor used to
18 convert \$/m³ to \$/GJ is based on the heat values used by Enbridge in their calculation of
19 ENGLP's Banked Gas Account balances. These conversion factors are shown in
20 Schedule 4. All prices and costs shown are actual prices paid in January, 2020 through
21 October, 2020. Prices for the remaining months in this period are based on estimated
22 prices to be paid in those months. The costs shown for these remaining months are based
23 on both the estimated prices to be paid and the estimated volumes to be purchased.

24 **Enbridge Gas Inc. System Gas Pricing**

25
26 Prices paid to Enbridge are based on the Board approved Union South Total Gas Supply
27 Commodity Charge for Utility Sales.

1 Local Production (A)

2 The Board issued a Decision and Order - Phase 2 for EB-2010-0018 dated May 17, 2012
3 in which the Board indicated that ENGLP would be permitted to recover from ratepayers
4 a maximum annual quantity of 1.0 million m³ of natural gas at a rate of \$8.486 per mcf
5 (or \$0.3012/m³). This price, as set by the Board, can be seen in the line labeled "Local
6 Production (A)" of the price section of Schedule 3. As part of the contract, any gas taken
7 in excess of the annual quantity of 1.0 million m³ was billed at a different rate (see Local
8 Production (B) below).

9

10 In the EB-2018-0336 Decision and Interim Rate Order dated July 4, 2019, the Board
11 approved the Settlement Proposal that was re-filed on June 10, 2019 in its entirety
12 including the cost consequences of ENGLP's gas supply plan. In particular, the Board
13 approved ENGLP's recovery from ratepayers a maximum annual quantity of 1.0 million
14 m³ of natural gas at a rate of \$8.486 per mcf (or \$0.3012/m³) through to the end of the gas
15 purchase contract (September 30, 2020). As noted in the settlement proposal, ENGLP
16 deals at arms' length from local gas producers, and expected to negotiate new pricing to
17 take effect October 1, 2020 based on a discount to the Enbridge commodity rate under the
18 M9 contract. The 1.0 million m³ maximum was reached in July, 2020 and no further
19 purchases of premium priced gas after that took place. Therefore, as shown in Schedules
20 3 and 6, volumes, prices and costs associated with Local Production (A) are shown as
21 zero for all months beyond July, 2020.

22

23 Local Production (B)

24 The gas purchased from the local producer shown in the line labeled "Local Production
25 (B)" was priced at the approved Union Gas ("Union") Ontario landed reference price for
26 each quarter, as per the Board EB-2010-0018 Decision and Order dated December 6,
27 2010. As noted above, this price was applicable to any gas taken in excess of 1.0 million
28 m³ per contract year.

29

1 However, as of the beginning of 2017, Union no longer calculated an Ontario landed
2 reference price. In the absence of this reference price, ENGLP began using Union's
3 Dawn Reference Price for these volumes.

4
5 As explained in Union's EB-2016-0334 QRAM application and noted above, Union no
6 longer calculated an Ontario landed reference price. This reference price has been
7 replaced by the Dawn reference price. This is described on pages 5-6 and 10-11 of Tab 1
8 of the Union evidence in EB-2016-0334, as well as in the table and notes that follow the
9 table on page 2 of the application.

10
11 The Board approved the use of the Dawn Reference Price for ENGLP, on an interim
12 basis in EB-2016-0341 and indicated that this matter should be brought forward in
13 ENGLP's 2017-2021 rates application.

14
15 As noted above, in the EB-2018-0336 Decision and Interim Rate Order dated July 4,
16 2019, the Board approved the Settlement Proposal that was re-filed on June 10, 2019 in
17 its entirety including the cost consequences of ENGLP's gas supply plan. In particular,
18 the Board approved ENGLP's proposal to use the Dawn Reference Price to determine the
19 cost of gas purchases in excess of 1.0 million m³ from the local producer noted earlier in
20 this evidence and found that the use of this reference price for period January 1, 2017
21 through December 31, 2019 was appropriate. As part of the Settlement Proposal
22 accepted by the Board, the Parties agreed that the QRAM pricing that became interim as
23 of January 1, 2017 as a result of the replacement reference price should be made final.

24
25 The January, 2020 through March, 2020 price was \$0.118187, reflecting the Board's
26 Decision and Interim Rate Order in EB-2019-0273, dated December 19, 2019. The
27 April, 2020 through June, 2020 price was \$0.102953, reflecting the Board's Decision and
28 Interim Rate Order in EB-2020-0077, dated March 26, 2020. The July, 2020 through
29 September, 2020 price was also \$0.102953, reflecting the Board's June 5, 2020 letter to
30 Enbridge in which it agreed with Enbridge that it would be prudent to dispense with their

1 July 1, 2020 QRAM application, thereby continuing the rates approved in EB-2020-0077.
2 As noted above, the gas purchase contract for Local Production (A) and Local Production
3 (B) ended at the end of September, 2020. Pricing for the gas purchased from these wells
4 effective October 1, 2020 is no longer priced based on the Dawn Reference Price.

5
6 ENGLP expects to enter into a renewal of the gas purchase contract for this gas based on
7 a pricing mechanism similar to that paid for Local Production (C) as explained below.
8 Specifically, the commodity rate for this gas is expected to be calculated based on both
9 the difference in the energy content of the gas purchased from Lagasco relative to that of
10 the gas delivered by Enbridge, and the sum of the Enbridge total gas supply commodity
11 charge and the Board approved delivery commodity charge paid to Enbridge. These
12 charges are found in Schedule "A" to the Enbridge Union South rate schedules and in
13 Enbridge's M9 rate schedule, respectively. A 5% discount would be applied to the total
14 gas supply commodity charge (inclusive of commodity rate adjustments) from Enbridge
15 for all gas delivered to ENGLP. The proposed formula used to determine the price to
16 paid for this gas is:

17
18
$$\text{Price (\$/m}^3\text{)} = \text{Local Producer Heat Content/Enbridge Heat Content} \times ((\text{Enbridge Total}$$

19
$$\text{Gas Supply Commodity Charge} \times 0.95) + \text{Enbridge M9 Delivery Commodity Charge}).$$

20
21 ENGLP notes that unlike the Local Production (C) pricing described below, there would
22 be no firm contract demand charge associated with the Local Production (B) gas.

23
24 ENGLP notes that, similar to Local Production (C) below, there would be a quarterly true
25 up of the cost due to Lagasco invoicing ENGLP based on the forecast Enbridge heat
26 content each month as the actual heat content is not available from Enbridge at the time
27 the invoice is prepared. As a result, the actual monthly historical prices will not exactly
28 match what would be generated by the above formula using the actual Enbridge heat
29 content.

30

1 Local Production (C)

2 ENGLP entered into a contract with a local gas producer (Lagasco) for volumes to be
3 purchased and delivered to its franchise area. The required Lagasco and ENGLP facilities
4 were completed in late December and the gas began flowing under this contract on
5 December 23, 2019. The gas purchase contract has a primary term which expires on
6 October 31, 2024. These volumes are shown in Schedules 3 and 6 as Local Production
7 (C). The contract includes a firm contract demand of 1,200 GJ/day.

8

9 The commodity rate for this gas is calculated based on both the difference in the energy
10 content of the gas purchased from Lagasco relative to that of the gas delivered by
11 Enbridge, and the Enbridge total gas supply commodity charge. This charge is found in
12 Schedule "A" to the Enbridge Union South rate schedules. A 5% discount is applied to
13 the total gas supply commodity charge from Enbridge for all gas delivered to ENGLP up
14 to the firm contract demand of 1,200 GJ/day. The formula used to determine the price to
15 paid for this gas is:

16

17 $\text{Price (\$/m}^3\text{)} = \text{Local Producer Heat Content/Enbridge Heat Content} \times \text{Enbridge Total}$
18 $\text{Gas Supply Commodity Charge} \times 0.95.$

19

20 The following example uses a total gas supply commodity charge of \$0.121894 per m³
21 (see the section above for Enbridge system gas pricing) and forecasted heat content of
22 39.28 GJ/10³ m³ for gas delivered by Enbridge and the forecasted 38.87 GJ/10³ m³ for
23 gas delivered from Lagasco (see the Other Forecast section below).

24

25 $\text{Price (\$/m}^3\text{)} = 38.87/39.28 \times \$0.121894 \times 0.95 = \$0.114591.$ These figures are shown on
26 Schedule 3 in the September column.

27

28 The actual price paid will reflect Enbridge's Board approved total gas supply commodity
29 charge and the actual heat content for both the Enbridge gas and the Lagasco gas.

30 ENGLP notes that there will be a quarterly true up of the cost due to Lagasco invoicing

1 ENGLP based on the forecast Enbridge heat content each month as the actual heat
2 content is not available from Enbridge at the time the invoice is prepared. As a result, the
3 actual monthly historical prices will not exactly match what would be generated by the
4 above formula using the actual Enbridge heat content.

5
6 The adjustment for the first quarter of 2020 (i.e. January 1 through March 30) was
7 processed on the May Lagasco invoice and was a reduction of \$3,540.22 in the gas
8 commodity cost. This reduction has been reflected in the May costs and prices shown in
9 Schedule 3 for Local Production (C). This cost difference, which ENGLP believes will
10 continue to be small relative to the overall cost of the gas each month, will continue to be
11 reflected as an adjustment in subsequent invoices and is expected to be done on a
12 quarterly basis. These quarterly adjustments will continue to be reflected in the PGCVA
13 calculations in the month in which the adjustment is reflected in the invoices.

14
15 For any gas delivered in excess of the firm contract demand of 1,200 GJ/day delivered,
16 the 5% discount will not apply to the price to be paid, and there will not be any
17 incremental demand charges and no overrun charges. As an example, in February, 2020,
18 the volume received exceeded the firm contract demand on 5 days. The excess volume
19 delivered over these days totaled about 12,500 m³, or about 1.65% of the 755,328 m³
20 received from Local Production (C).

21
22 In addition to the above commodity price, ENGLP pays the local producer a delivery
23 charge and a demand charge for the delivery of the gas into the distribution system up to
24 1,200 GJ/day. These charges are equal to the corresponding charges paid to Enbridge
25 under the M9 rate schedule, adjusted for the relative difference in the heat content of the
26 gas delivered. This adjustment for the relative difference in the heat content ensures that
27 the cost associated with the delivery charges and demand charges paid to the local
28 producer are equal to the cost reductions that will be experienced on the Enbridge system.
29 These costs will be tracked through ENGLP's Purchased Gas Transportation Variance

1 Account (“PGTVA”). ENGLP assesses its contract demand with Enbridge annually, to
2 take effect November 1.

3
4 It would have been imprudent for ENGLP to renegotiate a lower contract demand prior to
5 November 1, 2019 and possibly find itself in an unauthorized overrun position given the
6 uncertain timing of the required facilities being built and the commencement of the gas
7 flowing into the ENGLP franchise. It would also have been imprudent to negotiate a
8 lower contract demand with Enbridge without any operational experience of the new
9 source of gas and its impact on peak day requirements from Enbridge. ENGLP also notes
10 that it did not increase its contract demand on November 1, 2019 with Enbridge despite
11 the continuing growth in customer attachments. Having had operational experience since
12 the beginning of 2020, including the winter months of January through March, 2020,
13 ENGLP has maintained its contract demand with Enbridge effective November 1, 2020 at
14 the same level as the previous year. The addition of the firm local production has
15 allowed for the continuing growth in customer attachments without any increased cost
16 associated with a higher contract demand on the Enbridge system.

17 18 **FORECAST GAS COSTS**

19
20 ENGLP’s forecast gas costs for the January, 2021 through December, 2021 period, by
21 source of supply, are shown in Schedule 7 in \$/GJ. These prices are also shown in the
22 middle section of Schedule 6 in \$/m³. The bottom section of Schedule 6 shows the
23 composition of the total system gas costs. The conversion factor used to convert \$/m³ to
24 \$/GJ is based on the heat values used by Enbridge in their calculation of ENGLP’s
25 Banked Gas Account balances. These conversion factors are shown in Schedule 7. The
26 costs shown are based on both the estimated prices to be paid and the estimated volumes
27 to be purchased.

28
29 Forecast gas prices for each of the sources of supply for the January, 2021 through
30 December, 2021 period are described below.

1 Enbridge Gas Inc. System Gas Pricing

2 As noted earlier, ENGLP is a system gas purchaser on the Union Gas South (now
3 Enbridge) system.

4

5 The price forecast for this gas reflects Enbridge's QRAM application in EB-2020-0264
6 dated December 9, 2020, where the gas supply commodity charge has been forecast as
7 \$0.134224 per m³ and is shown in the Enbridge Gas line on ENGLP's Schedule 6 and in
8 \$/GJ on Schedule 7. The \$0.134224 per m³ figure is taken from Enbridge's EB-2020-
9 0264 application on line 4 in Exhibit E, Tab 2, Schedule 7, Appendix A, page 6 of 17.
10 This is Enbridge's Total Gas Supply Commodity Charge for Utility Sales in the Union
11 South operating area.

12

13 The Total Gas Supply Commodity Charge for Utility Sales in the Union South operating
14 area also directly impacts the price paid for gas purchased from the local producer noted
15 in Schedule 6 under Local Production (B) and Local Production (C) (see below).

16

17 At the time this application was prepared the Enbridge gas supply commodity charge for
18 January 1, 2021 rates was not yet approved by the Board. Any differences between the
19 applied for and Board approved gas supply commodity charge for Enbridge will be
20 reflected in ENGLP's next QRAM application and evidence.

21

22 Local Production (A)

23 The first source of supply noted in Schedules 4 and 7 is "Local Production (A)" This
24 refers to gas that is produced in ENGLP's franchise area and purchased from a local
25 producer, 2661031 Ontario Inc. NRG Corp. recently sold its production facilities to
26 2661031 Ontario Inc. ENGLP's contract with NRG Corp. was transferred to 2661031
27 Ontario Inc. as well.

28

29 The zero for all volumes, prices and costs over the January, 2021 through December,
30 2021 period shown in Schedule 6 reflect the end of Local Production (A) purchases, as

1 explained above as a result of the expiry of the contract at the end of September, 2020.
2 The remaining gas forecast to be purchased from the local producer is shown on the
3 Local Production (B) line in Schedule 6.

4
5 Local Production (B)

6 As noted above, the contract that covers the volumes under both Local Production (A)
7 and Local Production (B) expired at the end of September, 2020. As noted above in the
8 Local Production (B) section of Historical Gas Costs, ENGLP expects to enter into a
9 renewal of the gas purchase contract for this gas based on a pricing mechanism similar to
10 that paid for Local Production (C).

11
12 For volumes purchased for January, 2021 through December, 2021, and as noted above
13 under Historical Gas Costs, the commodity rate forecast for this gas has been forecast
14 based on both the difference in the energy content of the gas purchased from Lagasco
15 relative to that of the gas delivered by Enbridge, and the sum of the Enbridge total gas
16 supply commodity charge and the Board approved delivery commodity charge paid to
17 Enbridge. These charges are found in Schedule "A" to the Enbridge Union South rate
18 schedules and in Enbridge's M9 rate schedule, respectively. A 5% discount would be
19 applied to the total gas supply commodity charge (inclusive of commodity rate
20 adjustments) from Enbridge for all gas delivered to ENGLP.

21
22 This price is shown on Schedule 6 in the January, 2021 through December, 2021 columns
23 in the row labelled Local Production (B). The discount applied to the Enbridge total gas
24 supply commodity charge would result in lower costs for ENGLP's system gas
25 customers. If the production from these wells, which are located within ENGLP's
26 distribution franchise area were curtailed, this locally produced gas would need to be
27 replaced with additional supplies from Enbridge which would result in a higher gas
28 commodity cost and higher delivery charges paid to Enbridge. It may also result in a
29 higher demand charge paid to Enbridge.

1 The proposed inclusion of the Enbridge delivery commodity charge in the cost of the gas
2 reflects the fact that the Local Production (B) gas, which is produced in the ENGLP
3 franchise area, results in a direct reduction of the delivery commodity charge paid to
4 Enbridge of the same amount as that paid to the local producer.

6 Local Production (C)

7 As noted above under Historical Gas Costs, the commodity rate for this gas is calculated
8 based on both the difference in the energy content of the gas purchased from Lagasco
9 relative to that of the gas delivered by Enbridge, and the Enbridge total gas supply
10 commodity charge. This charge is found in Schedule "A" to the Enbridge Union South
11 rate schedules. A 5% discount is applied to the total gas supply commodity charge from
12 Enbridge for all gas delivered to ENGLP up to the firm contract demand of 1,200 GJ/day.
13 Any gas taken on any day in excess of the 1,200 GJ/day is paid at the Enbridge total gas
14 supply commodity charge for Union South, with no discount applied. ENGLP has not
15 forecast any excess gas to be purchased since the gas supply plan assumes normal
16 weather conditions and is based on the firm contract demand that underlies the Local
17 Production (C) volumes included in the plan. Any such excess volumes would be small
18 relative to the total volumes and the price differential is not large enough to have a
19 significant impact on the overall average monthly forecast of the price of the total system
20 gas purchases.

22 Other Forecast Assumptions

23 The heat value used to convert GJ to m^3 is $39.28 \text{ GJ}/10^3 \text{ m}^3$ for gas delivered from
24 Enbridge. This is consistent with the figure used by Enbridge in their QRAM
25 application. It is found in Exhibit E, Tab 2, Schedule 1 in EB-2020-0264, at Note 1 and
26 also noted in paragraph 4 of Exhibit D, Tab 2, Schedule 1. ENGLP uses this conversion
27 factor to calculate the cost in \$/GJ and for the pricing of the Local Production (C) gas as
28 noted above and beginning October 1, 2020 for the Local Production (B) gas.

Beginning in December, 2019, ENGLP required the use of a heat value in the pricing of the gas purchased from Local Production (C), as noted above. The heat value used to convert GJ to m³ is forecast at 38.87 GJ/10³ m³ for gas delivered from Lagasco related to Local Production (C) and for the Local Production (B) gas beginning October 1, 2020. This figure is representative of the actual heat value in January, 2020 through July, 2020 and shown for these months in Schedule 4. Both the Enbridge and Lagasco heat value forecasts are shown in Schedule 7.

PGCVA RATE CHANGES

PGCVA Balance

The projected December, 2020 balance in the PGCVA is a debit of \$43,820.57 including a debit of \$67,243.07 in accumulated interest, based on the Board's prescribed interest rate. This estimate is based on actual and forecasted purchases and the balance brought forward from December, 2019. The PGCVA debit amounts to a charge of approximately \$2.94 for a typical residential customer consuming approximately 1,901.9 m³ per year. These figures are shown on Schedule 2.

Proposed PGCVA Rate Changes

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

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

1 ENGLP proposes to change the reference price by \$0.005026 per m³ effective January 1,
2 2021, from \$0.128209 per m³ to \$0.133235 per m³. The derivation of this rate is shown
3 in Schedule 5. This is the reference price required to bring the PGCVA balance close to
4 zero on a twelve-month forecast basis. This change will also be reflected in the gas
5 commodity charge.

6 7 **GAS PURCHASE REBALANCING ACCOUNT**

8
9 The impact on the GPRA of the proposed January 1, 2021 PGCVA reference price
10 change from \$0.128209 per m³ to \$0.133235 per m³ is a credit of \$44,140.5, as shown on
11 Schedule 8. This figure is shown in column (J) of Schedule 8 on the December, 2020
12 line. It is calculated as the change in the PGCVA reference price between December,
13 2020 and January, 2021, multiplied by the cumulative inventory balance at the end of
14 December, 2020. This cumulative inventory balance is the sum of the actual monthly
15 inventory balances for October, 2020 and forecasts for the subsequent months. These
16 forecasts will be replaced with actual balances for these months in subsequent QRAM
17 applications as this information becomes available. As well, the monthly inventory
18 balances are based on a deemed level of unaccounted for gas ("UFG") of the total
19 throughput volume, as shown in column (E) of Schedule 8. The 0.0% is the Board
20 approved level of UFG from EB-2018-0336.

21
22 ENGLP proposes to adjust the gas commodity charge effective January 1, 2021 based on
23 the projected accumulated balance in the GPRA. The adjustment to the gas commodity
24 charge will be set such that the projected GPRA balance at the end of December, 2021
25 will be close to zero. The rate required to achieve this is shown in column (K) on
26 Schedule 8. Column (P) shows the reduction of the inventory revaluation balance based
27 on this rate of \$0.001473 per m³ over the January, 2021 through December, 2021 period.

28
29 ENGLP's proposal will clear the GPRA balance on a prospective basis, eliminating the
30 need for retroactive adjustments. This is consistent with ENGLP'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 system gas supply cost of \$0.000435 per m³ will be maintained at the level approved in EB-2018-0336. This figure represents the incremental costs over and above the commodity and transportation costs that form the PGCVA reference price to the gas supply function. These incremental costs are portions of administrative and general expenses, regulatory and consulting fees associated with the QRAM applications, return on rate base (working cash allowance related to gas commodity) and income taxes. This functionalization was approved in EB-2018-0336.

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 also reflects the approved system gas supply cost. The change in the gas commodity charge is as follows:

	EB-2020-0218 Oct. 1, 2020	Proposed Jan. 1, 2021	Difference
PGCVA Reference Price	\$0.128209	\$0.133235	\$0.005026
GPRA Recovery	\$0.004433	\$0.001473	\$(0.002960)
System Gas Supply Cost	<u>\$0.000435</u>	<u>\$0.000435</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.133077	\$0.135143	\$0.002066

SUMMARY

In summary, ENGLP proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.128209 by \$0.005026 to

1 \$0.133235 per m³ effective January 1, 2021. Appendix B contains the accounting entries
2 related to the PGCVA.

3
4 ENGLP also proposes to change the gas supply charge from \$0.133077 to \$0.135143 per
5 m³ effective January 1, 2021. This change reflects the change in the PGCVA reference
6 price, as described above, the change related to the recovery of the GPRA balance, also
7 as described above, and the continuation of the EB-2018-0336 approved system gas
8 supply cost. These changes apply to all system gas customers served under Rates 1, 2, 3,
9 4, 5 and 6.

10
11 The proposed rate schedules are attached as Appendix A. The proposed rate schedules in
12 Appendix A reflect the changes effective January 1, 2021 related to this QRAM
13 application.

14
15 The proposed rate schedules also reflect the removal of all rate riders that were in place
16 until December 31, 2020.

17
18 Schedule 9 provides a bill comparison showing the impact of the changes in the proposed
19 gas commodity charge on a year over year basis for the appropriate quarter as well as the
20 annual bill impact of the most recent quarterly change for an average residential
21 customer. The annual bill impact related to the change in the commodity charges on a
22 customer consuming approximately 1,780.0 m³ is an increase of \$3.68. This average use
23 figure of 1,780.0 m³ is consistent with the bill impacts in ENGLP's 2020-2024 Incentive
24 Rate-setting Mechanism in EB-2018-0336 and reflects the Board's expectation that
25 QRAM applications would provide bill impacts based on this level for a typical
26 residential customer.

27

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) (1)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s) (2)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
Actual	January	510,764	3,704,418	0.137880	0.135189	(0.002691)	-9,967.57	39,962.98	90.71	-67,470.13	-9,876.86	-27,507.15	322.8	2.18%
Actual	February	512,867	3,735,720	0.137287	0.135189	(0.002098)	-7,839.04	32,123.94	72.60	-67,397.53	-7,766.44	-35,273.59	306.6	2.18%
Actual	March	400,857	2,895,343	0.138449	0.135189	(0.003260)	-9,438.59	22,685.35	58.36	-67,339.17	-9,380.23	-44,653.82	254.8	2.18%
Actual	April	281,057	2,217,476	0.126746	0.122743	(0.004003)	-8,876.94	13,808.41	41.21	-67,297.96	-8,835.73	-53,489.55	158.8	2.18%
Actual	May	163,824	1,298,750	0.126140	0.122743	(0.003397)	-4,411.28	9,397.13	25.09	-67,272.87	-4,386.19	-57,875.74	95.8	2.18%
Actual	June	74,961	544,360	0.137705	0.122743	(0.014962)	-8,144.76	1,252.37	17.07	-67,255.80	-8,127.69	-66,003.43	37.6	2.18%
Actual	July	69,186	504,479	0.137144	0.122178	(0.014966)	-7,550.20	-6,297.83	0.59	-67,255.21	-7,549.61	-73,553.04	47.4	0.57%
Actual	August	68,647	603,347	0.113777	0.122178	0.008401	5,068.65	-1,229.18	-2.99	-67,258.20	5,065.66	-68,487.38	50.8	0.57%
Actual	September	87,059	760,647	0.114454	0.122178	0.007724	5,875.40	4,646.22	-0.58	-67,258.78	5,874.82	-62,612.56	51.3	0.57%
Actual	October	313,344	2,494,806	0.125598	0.128209	0.002611	6,513.00	11,159.22	2.21	-67,256.57	6,515.21	-56,097.35	111.3	0.57%
Forecast	November	572,254	4,511,107	0.126854	0.128209	0.001355	6,112.55	17,271.77	5.30	-67,251.27	6,117.85	-49,979.50	179.6	0.57%
Forecast	December	<u>639,694</u>	<u>5,037,455</u>	<u>0.126988</u>	0.128209	0.001221	<u>6,150.73</u>	<u>23,422.50</u>	<u>8.20</u>	<u>-67,243.07</u>	<u>6,158.93</u>	<u>-43,820.57</u>	<u>285.1</u>	0.57%
	Total	3,694,514	28,307,908	0.130512			-26,508.05	23,422.50	317.77	-67,243.07	-26,190.28	-43,820.57	1,901.9	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.001548)
Forecast Average Residential Consumption per Customer 1,901.9 M*3
Estimated Impact on Average Residential Customer \$2.94 Customer Charge

- (1) Includes balance of 49,930.55 as of December, 2019
(2) Includes balance of -67,560.84 as of December, 2019

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>													
Local Production (A)	112,437	103,976	103,013	85,486	78,017	65,967	59,155	0	0	0	0	0	608,049
Local Production (B)	0	0	0	0	0	0	602	60,405	57,402	70,801	92,524	91,291	373,025
Local Production (C)	647,327	755,328	630,790	711,436	675,672	441,066	397,344	513,869	626,004	914,469	925,920	956,784	8,196,007
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	<u>2,944,655</u>	<u>2,876,416</u>	<u>2,161,541</u>	<u>1,420,554</u>	<u>545,062</u>	<u>37,328</u>	<u>47,378</u>	<u>29,073</u>	<u>77,241</u>	<u>1,509,535</u>	<u>3,492,663</u>	<u>3,989,380</u>	<u>19,130,826</u>
Total	3,704,418	3,735,720	2,895,343	2,217,476	1,298,750	544,360	504,479	603,347	760,647	2,494,806	4,511,107	5,037,455	28,307,908
<u>Price (\$/m3)</u>													
Local Production (A)	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.000000	0.000000	0.000000	0.000000	0.000000	
Local Production (B)	0.118187	0.118187	0.118187	0.102953	0.102953	0.102953	0.102953	0.102950	0.102950	0.123491	0.122202	0.122202	
Local Production (C)	0.126979	0.127090	0.126979	0.115473	0.109351	0.114591	0.114591	0.114591	0.114591	0.120863	0.120863	0.120863	
Parkway Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Western Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Enbridge Gas	0.134040	0.134040	0.134040	0.121894	0.121894	0.121894	0.121894	0.121894	0.121894	0.128566	0.128566	0.128566	
<u>Total Gas Cost (\$)</u>													
Local Production (A)	33,866	31,318	31,027	25,748	23,499	19,869	17,817	0	0	0	0	0	183,144
Local Production (B)	0	0	0	0	0	0	62	6,219	5,910	8,743	11,307	11,156	43,396
Local Production (C)	82,197	95,995	80,097	82,151	73,885	50,542	45,532	58,885	71,734	110,525	111,909	115,640	979,092
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	394,702	385,555	289,733	173,157	66,440	4,550	5,775	3,544	9,415	194,075	449,038	512,899	2,488,882
TCPL Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	510,764	512,867	400,857	281,057	163,824	74,961	69,186	68,647	87,059	313,344	572,254	639,694	3,694,514

<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>
7.617	7.632	7.612	7.638	7.707	7.735	7.695	0.000	0.000	0.000	0.000	0.000
2.989	2.995	2.987	2.611	2.634	2.644	2.630	2.640	2.640	3.135	3.111	3.111
3.211	3.220	3.209	2.928	2.798	2.943	2.927	2.939	2.939	3.068	3.077	3.077
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0	0	0	0	0	0	0	0	0	0	0	0
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0	0	0	0	0	0	0	0	0	0	0	0
3.390	3.396	3.388	3.091	3.119	3.130	3.114	3.126	3.126	3.263	3.273	3.273
39.54 38.87	39.46 38.87	39.57 38.87	39.43 38.87	39.08 38.87	38.94 38.87	39.14 38.87	38.99 38.87	38.99 38.87	39.40 38.87	39.28 38.87	39.28 38.87

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)

<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>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> (1)	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s)</u> (2)	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
January	629,738	4,753,412	0.132481	0.133235	0.000754	3,584.07	27,006.57	11.13	-67,231.94	3,595.20	-40,225.37	314.6	0.57%
February	573,788	4,330,968	0.132485	0.133235	0.000750	3,248.23	30,254.80	12.83	-67,219.11	3,261.06	-36,964.31	259.7	0.57%
March	479,438	3,633,530	0.131948	0.133235	0.001287	4,676.35	34,931.15	14.37	-67,204.74	4,690.72	-32,273.59	218.1	0.57%
April	297,304	2,258,506	0.131638	0.133235	0.001597	3,606.83	38,537.98	16.59	-67,188.15	3,623.42	-28,650.17	165.3	0.57%
May	154,004	1,180,192	0.130491	0.133235	0.002744	3,238.45	41,776.43	18.31	-67,169.84	3,256.76	-25,393.41	79.5	0.57%
June	81,173	636,606	0.127510	0.133235	0.005725	3,644.57	45,421.00	19.84	-67,150.00	3,664.41	-21,729.00	47.0	0.57%
July	75,863	587,211	0.129191	0.133235	0.004044	2,374.68	47,795.68	21.57	-67,128.43	2,396.25	-19,332.75	36.3	0.57%
August	105,038	804,518	0.130560	0.133235	0.002675	2,152.09	49,947.77	22.70	-67,105.73	2,174.79	-17,157.96	37.9	0.57%
September	145,403	1,126,529	0.129071	0.133235	0.004164	4,690.87	54,638.64	23.73	-67,082.00	4,714.60	-12,443.36	51.8	0.57%
October	303,151	2,319,764	0.130682	0.133235	0.002553	5,922.36	60,561.00	25.95	-67,056.05	5,948.31	-6,495.05	105.1	0.57%
November	618,305	4,665,836	0.132518	0.133235	0.000717	3,345.40	63,906.40	28.77	-67,027.28	3,374.17	-3,120.88	179.6	0.57%
December	<u>686,444</u>	<u>5,175,283</u>	<u>0.132639</u>	0.133235	0.000596	<u>3,084.47</u>	<u>66,990.87</u>	<u>30.36</u>	<u>-66,996.92</u>	<u>3,114.83</u>	<u>-6.05</u>	<u>285.1</u>	0.57%
Total	4,149,650	31,472,355	0.131851			43,568.37	66,990.87	246.15	-66,996.92	43,814.52	-6.05	1,780.0	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.000000)
Forecast Average Residential Consumption per Customer 1,780.0 M*3
Estimated Impact on Average Residential Customer \$0.00 Customer Charge

(1) Includes Dec., 2020 year-to-date balance of \$23,422.50 (See Schedule 2)
(2) Includes Dec., 2020 year-to-date balance of (\$67,243.07) (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>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	90,073	88,872	87,687	86,518	85,365	84,227	83,104	81,995	80,902	79,823	78,759	77,709	1,005,034
Local Production (C)	956,784	864,192	956,784	655,920	478,392	462,960	299,832	299,832	655,920	956,784	925,920	956,784	8,470,104
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	<u>3,706,555</u>	<u>3,377,904</u>	<u>2,589,059</u>	<u>1,516,068</u>	<u>616,435</u>	<u>89,419</u>	<u>204,275</u>	<u>422,691</u>	<u>389,707</u>	<u>1,283,157</u>	<u>3,661,157</u>	<u>4,140,790</u>	<u>21,997,217</u>
Total	4,753,412	4,330,968	3,633,530	2,258,506	1,180,192	636,606	587,211	804,518	1,126,529	2,319,764	4,665,836	5,175,283	31,472,355

Price (\$/m3)

Local Production (A)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Local Production (B)	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679	0.127679
Local Production (C)	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182	0.126182
Parkway Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Western Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Enbridge Gas	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224	0.134224

Total Gas Cost (\$)

Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	11,500	11,347	11,196	11,047	10,899	10,754	10,611	10,469	10,329	10,192	10,056	9,922	128,322
Local Production (C)	120,729	109,045	120,729	82,765	60,364	58,417	37,833	37,833	82,765	120,729	116,834	120,729	1,068,773
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	497,509	453,396	347,514	203,493	82,740	12,002	27,419	56,735	52,308	172,230	491,415	555,793	2,952,554
TCPL Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	629,738	573,788	479,438	297,304	154,004	81,173	75,863	105,038	145,403	303,151	618,305	686,444	4,149,650

[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 (1)	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 (2)	Monthly Interest (\$'s) N	Y-T-D Interest (\$'s) O (3)	Total Y-T-D GPRA (\$'s) P=M+O	Monthly Interest Rate
January	3,704,418	9,687,963	5,957,053	3,730,910	0	3,730,910	-26,492	7,960,916	0.135189	0.00	0.006799	25,366.46	-168,982.60	-353.07	-4,765.40	-173,748.00	2.18%
February	3,735,720	9,419,295	5,618,688	3,800,607	0	3,800,607	-64,887	7,896,029	0.135189	0.00	0.006799	25,840.33	-143,142.27	-306.99	-5,072.39	-148,214.66	2.18%
March	2,895,343	8,576,327	5,484,745	3,091,582	0	3,091,582	-196,239	7,699,790	0.135189	-95,831.59	0.006799	21,019.67	-217,954.19	-260.04	-5,332.43	-223,286.62	2.18%
April	2,217,476	5,221,464	3,255,339	1,966,125	0	1,966,125	251,351	7,951,141	0.122743	0.00	0.007433	14,614.21	-203,339.98	-395.95	-5,728.38	-209,068.36	2.18%
May	1,298,750	5,498,050	4,375,578	1,122,472	0	1,122,472	176,278	8,127,420	0.122743	0.00	0.007433	8,343.33	-194,996.65	-369.40	-6,097.78	-201,094.43	2.18%
June	544,360	5,850,857	5,491,975	358,882	0	358,882	185,478	8,312,898	0.122743	-4,696.79	0.007433	2,667.57	-197,025.87	-354.24	-6,452.02	-203,477.89	2.18%
July	504,479	6,003,483	5,453,758	549,725	0	549,725	-45,246	8,267,651	0.122178	0.00	0.006533	3,591.35	-193,434.52	-93.59	-6,545.61	-199,980.13	0.57%
August	603,347	6,203,210	5,549,170	654,040	0	654,040	-50,693	8,216,958	0.122178	0.00	0.006533	4,272.84	-189,161.68	-91.88	-6,637.49	-195,799.17	0.57%
September	760,647	5,004,290	4,311,604	692,686	0	692,686	67,961	8,284,919	0.122178	49,966.35	0.006533	4,525.32	-134,670.01	-89.85	-6,727.34	-141,397.35	0.57%
October	2,494,806	7,636,633	5,639,339	1,997,294	0	1,997,294	497,512	8,782,431	0.128209	0.00	0.004433	8,854.00	-125,816.01	-63.97	-6,791.31	-132,607.32	0.57%
November	4,511,107	10,446,107	5,935,000	4,511,107	0	4,511,107	0	8,782,431	0.128209	0.00	0.004433	19,997.74	-105,818.27	-59.76	-6,851.07	-112,669.34	0.57%
December	5,037,455	10,672,455	5,635,000	5,037,455	0	5,037,455	0	8,782,431	0.128209	44,140.50	0.004433	22,331.04	-39,346.73	-50.26	-6,901.33	-46,248.06	0.57%
January	4,753,412	10,153,412	5,400,000	4,753,412	0	4,753,412	0	8,782,431	0.133235	0.00	0.001473	7,001.78	-32,344.95	-18.69	-6,920.02	-39,264.97	0.57%
February	4,330,968	9,580,968	5,250,000	4,330,968	0	4,330,968	0	8,782,431	0.133235	0.00	0.001473	6,379.52	-25,965.43	-15.36	-6,935.38	-32,900.81	0.57%
March	3,633,530	8,933,530	5,300,000	3,633,530	0	3,633,530	0	8,782,431	0.133235	0.00	0.001473	5,352.19	-20,613.24	-12.33	-6,947.71	-27,560.95	0.57%
April	2,258,506	7,458,506	5,200,000	2,258,506	0	2,258,506	0	8,782,431	0.133235	0.00	0.001473	3,326.78	-17,286.46	-9.79	-6,957.50	-24,243.96	0.57%
May	1,180,192	6,280,192	5,100,000	1,180,192	0	1,180,192	0	8,782,431	0.133235	0.00	0.001473	1,738.42	-15,548.04	-8.21	-6,965.71	-22,513.75	0.57%
June	636,606	5,676,606	5,040,000	636,606	0	636,606	0	8,782,431	0.133235	0.00	0.001473	937.72	-14,610.32	-7.39	-6,973.10	-21,583.42	0.57%
July	587,211	5,627,211	5,040,000	587,211	0	587,211	0	8,782,431	0.133235	0.00	0.001473	864.96	-13,745.36	-6.94	-6,980.04	-20,725.40	0.57%
August	804,518	5,844,518	5,040,000	804,518	0	804,518	0	8,782,431	0.133235	0.00	0.001473	1,185.06	-12,560.30	-6.53	-6,986.57	-19,546.87	0.57%
September	1,126,529	6,166,529	5,040,000	1,126,529	0	1,126,529	0	8,782,431	0.133235	0.00	0.001473	1,659.38	-10,900.92	-5.97	-6,992.54	-17,893.46	0.57%
October	2,319,764	7,569,764	5,250,000	2,319,764	0	2,319,764	0	8,782,431	0.133235	0.00	0.001473	3,417.01	-7,483.91	-5.18	-6,997.72	-14,481.63	0.57%
November	4,665,836	10,600,836	5,935,000	4,665,836	0	4,665,836	0	8,782,431	0.133235	0.00	0.001473	6,872.78	-611.13	-3.55	-7,001.27	-7,612.40	0.57%
December	5,175,283	10,810,283	5,635,000	5,175,283	0	5,175,283	0	8,782,431	0.133235	0.00	0.001473	7,623.19	7,012.06	-0.29	-7,001.56	10.50	0.57%

(1) Includes balance of 7,987,408 as of December, 2019
(2) Includes balance of -194,349.06 as of December, 2019
(3) Includes balance of -4,412.33 as of December, 2019

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jan-20 <u>EB-2019-0288</u>	Quarter Starting 01-Jan-21 <u>EB-2020-0296</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption for Quarter	792.4	792.4		
Monthly Charges	\$52.50	\$52.50	\$0.00	0.0%
Delivery Charges	\$106.03	\$106.03	\$0.00	0.0%
Total Commodity Charges	<u>\$112.86</u>	<u>\$107.09</u>	<u>(\$5.77)</u>	<u>-5.1%</u>
Total Customer Charges	\$271.39	\$265.62	(\$5.77)	-2.1%

ANNUAL BILL IMPACT

	01-Oct-20 <u>EB-2020-0218</u>	01-Jan-21 <u>EB-2020-0296</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption	1,780.0	1,780.0		
Monthly Charges	\$210.00	\$210.00	\$0.00	0.0%
Delivery Charges	\$238.19	\$238.19	\$0.00	0.0%
Total Commodity Charges	<u>\$236.88</u>	<u>\$240.55</u>	<u>\$3.68</u>	<u>1.6%</u>
Total Customer Charges	\$685.07	\$688.74	\$3.68	0.5%

RATES USED (1)

	(2) 01-Jan-20 <u>EB-2019-0288</u>	(2) 01-Oct-20 <u>EB-2020-0218</u>	(2) 01-Jan-21 <u>EB-2020-0296</u>
Monthly Charge	17.50	17.50	17.50
Delivery Charge	0.133814	0.133814	0.133814
Total Commodity Charge	0.142423	0.133077	0.135143

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

(2) Monthly charge reflects one dollar charge related to Bill 32 and Ontario Regulation 24/19.

**APPENDIX “A” TO
DECISION AND INTERIM RATE ORDER
BOARD FILE No. EB-2020-0296
DATED DECEMBER XX, 2020**

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

A customer that requires delivery of natural gas to any residential building served through one meter and containing no more than three dwelling units.

Rate

a)	Monthly Fixed Charge ⁽¹⁾	\$17.50
b)	Delivery Charge	
	First 1,000 m ³ per month	13.3814 cents per m ³
	All over 1,000 m ³ per month	10.7275 cents per m ³
c)	Carbon Charges	
	- Federal Carbon Charge (if applicable)	5.8700 cents per m ³
	- Facility Carbon Charge	0.0027 cents per m ³
d)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

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

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 2 - Seasonal Service

Rate Availability

The entire service area of the company.

Eligibility

All customers.

Rate

For all gas consumed from:	April 1 through October 31:	November 1 through March 31:
a) Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
b) Delivery Charge		
First 1,000 m ³ per month	16.5854 cents per m ³	20.9056 cents per m ³
Next 24,000 m ³ per month	8.5818 cents per m ³	14.2049 cents per m ³
All over 25,000 m ³ per month	6.7868 cents per m ³	15.2899 cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)	5.8700 cents per m ³	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³	0.0027 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

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

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 3 - Special Large Volume Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

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

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

Rate

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

- a) A Monthly Customer Charge⁽¹⁾:

A Monthly Customer Charge of \$201.00 for firm or interruptible customers; or
A Monthly Customer Charge of \$223.00 for combined (firm and interruptible) customers.

- b) A Monthly Demand Charge:

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

- c) A Monthly Delivery Charge:

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

- d) Carbon Charges

- Federal Carbon Charge (if applicable)	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³

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

- f) Overrun Gas Charges:

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

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

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

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

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 3 Firm Delivery Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

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

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

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

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

All customers whose operations, in the judgment of EPCOR NATURAL GAS LIMITED PARTNERSHIP, can readily accept interruption and restoration of gas service with 24 hours' notice.

Rate

For all gas consumed from:	April 1 through December 31:	January 1 through March 31:
a) Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
b) Delivery Charge		
First 1,000 m ³ per month	18.2634 cents per m ³	23.2990 cents per m ³
All over 1,000 m ³ per month	11.2057 cents per m ³	18.0040 cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)	5.8700 cents per m ³	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³	0.0027 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

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

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

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

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

Rate

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

a) Monthly Fixed Charge⁽¹⁾ \$191.00

b) A Monthly Delivery Charge:

A Monthly Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 9.2650 cents per m³ and not to be less than 5.9800 per m³.

c) Carbon Charges

- Federal Carbon Charge (if applicable)	5.8700 cents per m ³
- Facility Carbon Charge	0.0027 cents per m ³

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

e) Overrun Gas Charge:

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

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

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

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

Any unauthorized overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any applicable Gas Supply Charge.

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

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption and the pattern of annual use and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and

d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas of 50,000 m³. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 8.1474 cents per m³ for interruptible gas.

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

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility

Rate Availability

Rate 6 is available to the Integrated Grain Processors Co-Operative, Aylmer Ethanol Production Facility only.

Eligibility

Integrated Grain Processors Co-Operative's ("IGPC") ethanol production facility located in the Town of Aylmer

Rate

1. Bills will be rendered monthly and shall be the total of:
 - a) Fixed Monthly Charge⁽¹⁾ of \$61,230.92 for firm services
 - b) Carbon Charges
- Facility Carbon Charge 0.0027 cents per m³
 - c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

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

Purchased Gas Transportation Charges

In addition to the Rates and Charges outlined above, IGPC is responsible for all costs, charges and fees incurred by EPCOR related to gas supplied by Enbridge Gas Inc. to EPCOR's system for IGPC. All actual charges billed to ENGLP by Enbridge Gas Inc. under former Union Gas contract ID SA008936 and SA008937, as amended or replaced from time to time, shall be billed to IGPC by EPCOR when and as billed to EPCOR by Enbridge Gas Inc.

Bundled Direct Purchase Delivery

Where IGPC elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, IGPC or its agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to IGPC if it elects said Bundled T transportation service.

Unless otherwise authorized by EPCOR, IGPC, when delivering gas to EPCOR under direct purchase arrangements, must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

SCHEDULE A – Gas Supply Charges

Rate Availability

Entire service area of the company.

Eligibility

All customers served under Rates 1, 2, 3, 4, 5 and 6.

Rate

The Gas Supply Charge applicable to all sales customers shall be made up of the following charges:

PGCVA Reference Price	(EB-2020-0296)	13.3235 cents per m ³
GPRA Recovery Rate	(EB-2020-0296)	0.1473 cents per m ³
System Gas Fee	(EB-2018-0336)	<u>0.0435</u> cents per m ³
Total Gas Supply Charge		<u>13.5143</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE BT1 – Bundled Direct Purchase Contract Rate

Availability

Rate BT1 is available to all customers or their agent who enter into a Receipt Contract for delivery of gas to EPCOR. The availability of this option is subject to EPCOR obtaining a satisfactory agreement or arrangement with Enbridge Gas Inc. and EPCOR's gas supplier for direct purchase volume and DCQ offsets.

Eligibility

All customers electing to purchase gas directly from a supplier other than EPCOR must enter into a Bundled T-Service Receipt Contract with EPCOR either directly or through their agent, for delivery of gas to EPCOR at a mutually acceptable delivery point.

Rate

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

Note:

Ontario Point of Delivery means Dawn or Parkway on the Enbridge Gas Inc. (Union South) System as agreed to by EPCOR and EPCOR's customer or their agent.

Effective: January 1, 2021

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

EB-2020-0296

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Transmission Service

Availability

Transmission Service charges shall be applied to all natural gas producers that sell gas into Enbridge Gas' Union South system via ENGLP's distribution system.

Eligibility

All natural gas producers, transporting gas through ENGLP's system for sale into Enbridge Gas' Union South system shall be charged the Transmission Service Rate and associated Administrative Charge. Rates and Charges will be applied only in those months that a natural gas producer delivers gas to a delivery point on ENGLP's system for sale into Enbridge Gas' Union South system.

Rate

Administrative Charge	\$250/month
Transmission Service Rate	\$0.95/mcf

Effective: January 1, 2021

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

EB-2020-0296

**APPENDIX “B” TO
DECISION AND INTERIM RATE ORDER
BOARD FILE No. EB-2020-0296
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 INTERIM RATE ORDER
BOARD FILE No. EB-2020-0296
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 \$0.002066 per cubic meter to \$0.135143 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 1,780 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$4 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.