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June 10, 2021

Sent by EMAIL, RESS e-filing

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

Dear Ms. Long:

**Re: EB-2021-0100: Quarterly Rate Adjustment Mechanism ("QRAM") Application
EPCOR Natural Gas LP ("ENGLP") South Bruce for rates effective July 1, 2021**

Please find enclosed ENGLP South Bruce's QRAM Application to the Ontario Energy Board for orders effective July 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 above the printed name.

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

Encl.

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 July 1, 2021.

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

APPLICATION

1. As part of the EB-2021-0100 Decision and Rate Order dated March 25, 2021 (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 \$0.135771 cents per m³, effective April 1, 2021, 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 July 1, 2021, as follows:
 - a) an Order setting the reference price of \$0.111739 per m³, for amounts to be recorded in the PGCVA;
 - b) an Order changing the rates and other charges from those authorized the Board’s Decision and Rate Order dated March 25, 2021 in proceeding EB-2021-0100, to reflect a projected \$0.023261 per m³ decrease in the gas supply charge from the Board approved level of \$0.135771 per m³ to a projected cost of \$0.112510 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 June 30, 2021 for implementation effective July 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 June, 2021.

EPCOR Natural Gas Limited Partnership



Tim Hesselink
Senior Manager, Regulatory Commercial Services

1 **SCHEDULE 1- Management Summary**

2
3 **EPCOR NATURAL GAS LIMITED PARTNERSHIP - INTRODUCTION**

4
5 As part of the EB-2018-0264 (Rate Order dated January 9, 2020) the Ontario Energy Board
6 (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) effective
7 January 1, 2020 for EPCOR Natural Gas Limited Partnership Southern Bruce (“ENGLP”). In EB-
8 2021-0100 (Decision and Rate Order dated March 25, 2021), the Board approved an increased by
9 \$0.003973 per m3 from the previous OEB approved level of \$0.138135 per m3 to \$0.142108 per
10 m3 effective April 1, 2021.

11
12 In EB-2018-0264 (Rate Order dated January 9, 2020), the Board approved a Gas Purchase
13 Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory
14 available for sale to sales service customers due to changes in ENGLP’s cost of gas supply. In EB-
15 2021-0100 (Decision and Rate Order dated March 25, 2021), the Board approved the GPRA to be
16 cleared, resulting in an increase in the gas supply charge of \$0.132970 per m3 to \$0.135771 per
17 m3 effective April 1, 2021.

18
19 ENGLP is proposing to set the gas supply charge, the GPRA rate and the PGCVA reference price
20 effective July 1, 2021 to reflect an updated forecast of gas costs, the projected balance in the
21 PGCVA and the projected balance in the GPRA.
22
23

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. The forecasted demand profile of the franchise area for this application matches the most recent annual update to the Southern Bruce Gas Supply Plan EB-2021-0146, filed April 30, 2021 (“Gas Supply Plan Update”), and is based on the observed rate of customer additions and connections over the last number of months.

The PGCVA balance has been calculated using the most recent information available, including actual volumes and costs through May 2021. The remaining months in the thirteenth-month period ending June 2022 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 June 2021 to June 2022, 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 July 2020 to June 2021 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 July 2021 to June 2022 is shown on the top of Schedule 6.

In particular, the gas supply portfolio reflected in this QRAM application reflects an updated Supply/Demand forecast based on observed customer connections. The structure of the purchases are as highlighted, where:

- A percentage of average forecasted consumption for the period from December 1 to March 31 of the following year will be purchased as a fixed price gas landed at Dawn.
- A percentage of average forecasted consumption for the period from April 1 to September 30 (starting April, 2022) will be purchased at an AECO index plus fixed basis.
- For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to month Dawn index purchases will be made to meet expected demand.
- Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to minimize risk of triggering fees from the M17 Limited Balancing Agreement (“LBA”).

The forecast values used in this QRAM deviates from the 2021 Q2 QRAM – adjustments has been made to the forecast to match the 2021 Gas Supply Plan Update. Actual consumption from July 2020 to April 2021 has been reported for system gas customers during this period, with consumption from May 2021 onwards consisting of forecasted system gas consumption based on observed pace of gas-consuming customer additions to the system.

Gas Costs

ENGLP’s actual and forecast gas costs from July 2020 to June 2021 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 July 2020 to May 2021. 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 July 2021 to July 2022 are described below.

Actual Cost

Dawn Fixed Price Transactions:

As reported in the April 2021 QRAM filing (EB-2021-0100), ENGLP entered into seven Dawn Spot Price Sales Transactions in February 2021 to sell off a portion of gas held in storage at high spot prices, with the equivalent volume of gas (after accounting for fuel loss) were purchased for redelivery back into storage for May and June 2021 at lower fixed prices as monthly strip transactions at fixed daily volumes.

ENGLP transacted an additional two Dawn Fixed Priced deals in April 2021, with volume procured from both transactions nominated directly into ENGLP's seasonal storage asset to be consumed by system gas customers in the upcoming winter (December 2021 to March 2022). Dawn fixed priced deals were procured for May 1, 2021 to June 31, 2020 at 200 GJ per day. The volume procured matches ENGLP's firm storage injection rights for the 100,000 GJ of seasonal storage service ENGLP contracted with Enbridge when storage levels are above 75%. Fixed priced deals were transacted instead of index price deals per advice of ECNG to protect ENGLP's gas portfolio against a rising market.

Dawn Spot Price Sales Transactions: ENGLP has not entered into any Dawn Spot Price Sales Transactions as of May, 2021.

Dawn Spot Price Purchase Transactions: ENGLP has not entered into any Dawn Spot Price Purchase Transactions as of May, 2021.

Dawn Index Price Transactions: ENGLP has not entered into any Dawn Index Price Transactions as of May, 2021.

AECO Index Price Transactions: ENGLP has not entered into any AECO Index Price Transactions as of May, 2021.

Forecast Pricing

As noted earlier, ENGLP purchases gas from the market at Dawn. The structure of the purchases are as highlighted in the 2021 Gas Supply Plan Update, where:

- A percentage of average forecasted consumption for the period between December 1 and March 31 of the following year will be purchased as a fixed price gas landed at Dawn.
- A percentage of average forecasted consumption for the period between April 1 and September 30, starting April 1, 2021, will be purchased at an AECO index plus fixed basis.
- For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to month Dawn index purchases will be made to meet expected demand.
- Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to minimize risk of triggering fees from the M17 LBA.

The price forecast for this gas reflects the 21 trading day average of the two hubs relevant to the Gas Supply Plan – Dawn and AECO. Forecast prices for all 12 forward months are taken as

1 the arithmetic average of Daily Closing Forward Price for 21 days of each forward month. Noon
2 day average foreign exchange rate of each trading day is used to convert Dawn settlement prices
3 in USD to CAD. Dawn settlement prices were also converted from mmBtu to GJ. These monthly
4 prices are applied to the forecast volume of gas purchases in the Gas Supply Plan. Forecasted price
5 for the fixed priced Dawn purchase for December 2021 to March 2022 is calculated as the 21
6 trading day average for those future delivery periods at Dawn. Forecasted price for the AECO
7 index purchase from April 2022 to September 2022 is calculated as the 21 trading day average for
8 those future delivery periods at AECO, plus a fixed basis calculated as the average of the monthly
9 spread between the average Dawn and AECO prices for those months.

10
11 Other Forecast Assumptions

12
13 The heat value used to convert GJ to m^3 is $39.28 \text{ GJ}/10^3 \text{ m}^3$ for gas delivered from Enbridge up to
14 the end of March 2021, and $39.32 \text{ GJ}/10^3 \text{ m}^3$ for gas delivered from Enbridge starting April 2021.
15 This is consistent with the figure used by Enbridge for gas nominated into the M17 and for
16 managing the M17 LBA, which tracks total consumption for the Southern Bruce franchise on a
17 per GJ basis. ENGLP uses this conversion factor to calculate the cost in \$/GJ and for the pricing
18 of system gas volumes. This is an annual average heat rate that will be adjusted annually on April
19 1st.

20
21 PGCVA Balance

22
23 The projected June, 2021 balance in the PGCVA is a credit of \$102,419.40 including a credit of
24 \$392.37 in accumulated interest, based on the Board's prescribed interest rate. This estimate is
25 based on actual and forecasted purchases starting July, 2020. As residential customers did not
26 connect to the system until November, the PGCVA debit amounts' impact for a typical residential
27 customer has not been reviewed.

28
29 Proposed PGCVA Rate Changes

ENGLP proposes to adjust the reference price effective July 1, 2021 based on the projected accumulated balance in the PGCVA as of the end of June, 2021 and the forecasted cost of gas over the twelve-month period. The reference price is set such that the projected PGCVA balance at the end of June 2022 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 Aylmer's past proposals in QRAM applications, which have been accepted by the Board.

ENGLP proposes to decrease the reference price by \$0.030369 per m³ effective July 1, 2021, (from \$0.142108 per m³ to \$0.111739 per m³.) The derivation of this rate is shown in Schedule 5. This is the reference price required to bring the PGCVA balance close to zero on a twelve-month forecast basis. This change will also be reflected in the gas commodity charge.

GAS PURCHASE REBALANCING ACCOUNT

The impact on the GPRA of the proposed July 1, 2021 PGCVA reference price change from \$0.142108 per m³ to \$0.113854 per m³ is a debit of \$66,997.25, as shown on Schedule 8. This figure is shown in column (K) of Schedule 8 on the June 2021 line. It is calculated as the change in the PGCVA reference price between June, 2021 and July, 2021, multiplied by the cumulative inventory balance at the end of June, 2021. This cumulative inventory balance is the sum of the forecasted monthly inventory balances for June, 2021 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 July 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 June, 2022 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 \$0.000771 per m³ over the July, 2021 through June, 2022 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 July 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:

	EB-2021-0100 1-Apr-21	Proposed 1-Jul-21	Variance
PGCVA Reference Price	\$ 0.142108	\$ 0.111739	\$(0.030369)
<u>GPRA Recovery</u>	<u>\$(0.006337)</u>	<u>\$ 0.000771</u>	<u>\$ 0.007108</u>
Gas Commodity Charge	\$ 0.135771	\$ 0.112510	\$(0.023261)

SUMMARY

In summary, ENGLP proposes to reduce the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account by \$0.030369 to \$0.111739 per m³ effective July 1, 2021. Appendix B contains the accounting entries related to the PGCVA.

1 ENGLP also proposes to reduce the gas supply charge from \$0.135771 to \$0.112510 per m³
2 effective July 1, 2021. This change reflects the change in the PGCVA reference price and the
3 change related to the recovery of the GPRA balance, both as described above. These changes
4 apply to all system gas customers served under Rates 1, 6, and 11. Customers served under Rate
5 16 are not impacted by changes in Gas Commodity Charge, as they procure their own supply and
6 are not served by system gas supply. The proposed rate schedules are attached as Appendix A.
7 The proposed rate schedules in Appendix A reflect the changes effective July 1, 2021 related to
8 this QRAM application.

9
10 Schedule 9 provides a bill comparison showing the impact of the changes in the proposed gas
11 commodity charge on a year over year basis for the appropriate quarter as well as the annual bill
12 impact of the most recent quarterly change for an average residential customer. The annual bill
13 impact related to the change in the commodity charges on a customer consuming approximately
14 2,149.0 m³ is a decrease of \$49.99. This average use figure of 2,149.0 m³ is consistent with the bill
15 impacts presented in ENGLP's 2020 Incentive Rate-setting Mechanism application (EB-2019-
16 0264) and reflects the Board's expectation that QRAM applications would provide bill impacts
17 based on this level for a typical residential customer.

18
19 Customer rate impacts have been calculated using the Decision and Rate Order prepared for the
20 South Bruce IRM filing for rates effective January 1, 2021 (EB-2020-0233).

21
22 ENGLP is planning on sending a notice to customers to notify of the rate changes to be included
23 with bills issued during July 2021.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2020 TO JUNE, 2021

<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	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%
Actual	December	0	0	<u>0.000000</u>	<u>0.137355</u>	<u>0.137355</u>	0.00	63,339.57	30.09	160.75	30.09	63,500.32	278.0	0.57%
Actual	January	0	0	<u>0.000000</u>	<u>0.138135</u>	<u>0.138135</u>	0.00	63,339.57	30.09	190.84	30.09	63,530.41	316.3	0.57%
Actual	February	-80,552	-398,600	<u>0.202087</u>	<u>0.138135</u>	<u>(0.063952)</u>	25,491.22	88,830.79	30.09	220.93	25,521.31	89,051.72	317.4	0.57%
Actual	March	0	0	<u>0.000000</u>	<u>0.138135</u>	<u>0.138135</u>	0.00	88,830.79	42.19	263.12	42.19	89,093.91	268.8	0.57%
Actual	April	0	0	<u>0.000000</u>	<u>0.142108</u>	<u>0.142108</u>	0.00	88,830.79	42.19	305.31	42.19	89,136.10	195.5	0.57%
Forecast	May	42,469	338,477	<u>0.125470</u>	<u>0.142108</u>	<u>0.016638</u>	5,631.57	94,462.36	42.19	347.50	5,673.76	94,809.86	125.6	0.57%
<u>Forecast</u>	<u>June</u>	<u>45,368</u>	<u>372,479</u>	<u>0.121799</u>	<u>0.142108</u>	<u>0.020309</u>	<u>7,564.67</u>	<u>102,027.03</u>	<u>44.87</u>	<u>392.37</u>	<u>7,609.54</u>	<u>102,419.40</u>	<u>77.0</u>	<u>0.57%</u>
	Total	166,097	2,024,015	0.082063			78,269.48	102,027.03	376.21	392.37	78,645.69	102,419.40	1,791.6	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.050602
Forecast Average Residential Consumption per Customer 2,149.0 M*3
Estimated Impact on Average Residential Customer \$108.74 Customer Rebate

(1) No residential consumption until November 2020

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2020 TO JUNE, 2021

	<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>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	0	0	0	0	61,100	0	0	0	0	0	0	0	61,100
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	591,904	394,603	376,375	0	0	0	0	0	0	0	338,477	372,479	2,073,837
Spot Purchase	0	287,678	0	0	0	0	0	0	0	0	0	0	287,678
Spot Sale	0	0	0	0	0	0	0	-398,600	0	0	0	0	(398,600)
Total	591,904	682,281	376,375	0	61,100	0	0	(398,600)	0	0	338,477	372,479	2,024,015
<u>Price (\$/m3)</u>													
Dawn Day Ahead Index	0.000000	0.000000	0.000000	0.000000	0.116887	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
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	0.089166	0.093679	0.093679	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.125470	0.121799	
Spot Purchase	0.000000	0.092704	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	0.202087	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Dawn Day Ahead Index	0	0	0	0	7,142	0	0	0	0	0	0	0	7,142
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	52,778	36,966	35,258	0	0	0	0	0	0	0	42,469	45,368	212,838
Spot Purchase	0	26,669	0	0	0	0	0	0	0	0	0	0	26,669
Spot Sale	0	0	0	0	0	0	0	-80,552	0	0	0	0	(80,552)
Total	52,778	63,635	35,258	0	7,142	0	0	(80,552)	0	0	42,469	45,368	166,097

EPCOR NATURAL GAS LIMITED PARTNERSHIP

ACTUAL AND FORECAST GAS PRICES

HISTORICAL TWELVE MONTH PERIOD - JULY, 2020 TO JUNE, 2021

		<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>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
Dawn Day Ahead Index	(\$/GJ)	0.000	0.000	0.000	0.000	2.976	0.000	0.000	0.000	0.000	0.000	0.000	0.000
AECO 5A	(\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Dawn Fixed Price	(\$/GJ)	2.270	2.385	2.385	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.191	3.098
Spot Purchase	(\$/GJ)	0.000	2.360	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Spot Sale	(\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.145	0.000	0.000	0.000	0.000
Heat Value	(GJ/103m3)	39.28	39.28	39.28	39.28	39.28	39.28	39.28	39.28	39.28	39.32	39.32	39.32

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2021 TO JUNE, 2022

(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
July	22,598	175,394	0.128840	0.111739	(0.017101)	(2,999.41)	99,027.62	48.46	440.83	(2,950.95)	99,468.45	61.7	0.57%
August	16,989	131,372	0.129320	0.111739	(0.017581)	(2,309.65)	96,717.97	47.04	487.87	(2,262.61)	97,205.84	63.0	0.57%
September	30,090	234,356	0.128396	0.111739	(0.016657)	(3,903.67)	92,814.30	45.94	533.81	(3,857.73)	93,348.11	86.9	0.57%
October	82,070	638,606	0.128514	0.111739	(0.016775)	(10,712.62)	82,101.68	44.09	577.90	(10,668.53)	82,679.58	145.9	0.57%
November	127,982	942,786	0.135748	0.111739	(0.024009)	(22,635.35)	59,466.33	39.00	616.90	(22,596.35)	60,083.23	212.9	0.57%
December	81,635	572,380	0.142624	0.111739	(0.030885)	(17,677.96)	41,788.37	28.25	645.15	(17,649.71)	42,433.52	278.0	0.57%
January	81,635	572,380	0.142624	0.111739	(0.030885)	(17,677.96)	24,110.41	19.85	665.00	(17,658.11)	24,775.41	316.3	0.57%
February	73,735	516,989	0.142623	0.111739	(0.030884)	(15,966.69)	8,143.72	11.45	676.45	(15,955.24)	8,820.17	317.4	0.57%
March	81,635	572,380	0.142624	0.111739	(0.030885)	(17,677.96)	(9,534.24)	3.87	680.32	(17,674.09)	(8,853.92)	268.8	0.57%
April	115,957	1,021,618	0.113504	0.111739	(0.001765)	(1,803.16)	(11,337.40)	(4.53)	675.79	(1,807.69)	(10,661.61)	195.5	0.57%
May	112,343	1,059,220	0.106062	0.111739	0.005677	6,013.19	(5,324.21)	(5.39)	670.40	6,007.80	(4,653.81)	125.6	0.57%
June	<u>90,405</u>	<u>850,712</u>	<u>0.106269</u>	<u>0.111739</u>	<u>0.005470</u>	<u>4,653.39</u>	<u>(670.82)</u>	<u>(2.53)</u>	<u>667.87</u>	<u>4,650.86</u>	<u>(2.95)</u>	<u>77.0</u>	0.57%
Total	917,073	7,288,193	0.125830			(102,697.85)	(670.82)	275.50	667.87	(102,422.35)	(2.95)	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 June, 2021 year-to-date balance of \$102,027.03 (See Schedule 2)
(2) Includes June, 2021 year-to-date balance of \$392.37 (See Schedule 2)

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2021 TO JUNE, 2022

	<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>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	97,342	131,372	234,356	638,606	942,786	0	0	0	0	814,090	844,774	589,613	4,292,939
AECO 5A	0	0	0	0	0	0	0	0	0	207,528	214,446	257,383	679,357
Dawn Fixed Price	78,052	0	0	0	0	572,380	572,380	516,989	572,380	0	0	0	2,312,181
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	175,394	131,372	234,356	638,606	942,786	572,380	572,380	516,989	572,380	1,021,618	1,059,220	846,996	7,284,477

Price (\$/m3)

Dawn Day Ahead Index	0.127216	0.127385	0.126229	0.126422	0.134250	0.000000	0.000000	0.000000	0.000000	0.111393	0.108908	0.136718
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.114586	0.086866	0.137471
Dawn Fixed Price	0.127216	0.000000	0.000000	0.000000	0.000000	0.141037	0.141037	0.141037	0.141037	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

Total Gas Cost (\$)

Dawn Day Ahead Index	12,383	16,735	29,583	80,734	126,569	0	0	0	0	90,684	92,003	80,611	529,302
AECO 5A	0	0	0	0	0	0	0	0	0	23,780	18,628	35,383	77,790
Dawn Fixed Price	9,929	0	0	0	0	80,727	80,727	72,915	80,727	0	0	0	325,024
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	22,313	16,735	29,583	80,734	126,569	80,727	80,727	72,915	80,727	114,464	110,631	115,993	932,116

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2021 TO JUNE, 2022

[illegible]

EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

JULY, 2020 THROUGH JUNE, 2022

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
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	0	24,479	0	24,479	0	24,479	(24,479)	2,424,034	0.137355	1,890.96	(0.007494)	(183.44)	56,685.06	26.11	79.02	56,764.08	0.57%
January	0	54,651	0	54,651	0	54,651	(54,651)	2,369,383	0.138135	0.00	(0.005165)	(282.27)	56,402.79	26.93	105.95	56,508.74	0.57%
February	(398,600)	108,603	0	108,603	0	108,603	(507,202)	1,862,181	0.138135	0.00	(0.005165)	(560.93)	55,841.86	26.79	132.74	55,974.60	0.57%
March	0	111,087	0	111,087	0	111,087	(111,087)	1,751,094	0.138135	6,956.94	(0.005165)	(573.76)	62,225.04	26.52	159.26	62,384.30	0.57%
April	0	92,104	0	92,104	0	92,104	(92,104)	1,658,990	0.142108	0.00	(0.006337)	(583.66)	61,641.38	29.56	188.82	61,830.20	0.57%
May	338,477	37,951	0	37,951	0	37,951	300,526	1,959,515	0.142108	0.00	(0.006337)	(240.50)	61,400.88	29.28	218.10	61,618.98	0.57%
June	372,479	125,888	0	125,888	0	125,888	246,591	2,206,107	0.142108	(66,997.25)	(0.006337)	(797.75)	(6,394.12)	29.17	247.27	(6,146.85)	0.57%
July	175,394	96,551	0	96,551	0	96,551	78,843	2,284,950	0.111739	0.00	0.000771	74.44	(6,319.68)	(3.04)	244.23	(6,075.45)	0.57%
August	131,372	130,414	0	130,414	0	130,414	958	2,285,907	0.111739	0.00	0.000771	100.55	(6,219.13)	(3.00)	241.23	(5,977.90)	0.57%
September	234,356	233,206	0	233,206	0	233,206	1,150	2,287,058	0.111739	0.00	0.000771	179.80	(6,039.33)	(2.95)	238.28	(5,801.05)	0.57%
October	638,606	666,473	0	666,473	0	666,473	(27,867)	2,259,191	0.111739	0.00	0.000771	513.85	(5,525.48)	(2.87)	235.41	(5,290.07)	0.57%
November	942,786	939,524	0	939,524	0	939,524	3,262	2,262,453	0.111739	0.00	0.000771	724.37	(4,801.11)	(2.62)	232.79	(4,568.32)	0.57%
December	572,380	1,081,611	0	1,081,611	0	1,081,611	(509,231)	1,753,222	0.111739	0.00	0.000771	833.92	(3,967.19)	(2.28)	230.51	(3,736.68)	0.57%
January	572,380	1,161,187	0	1,161,187	0	1,161,187	(588,807)	1,164,416	0.111739	0.00	0.000771	895.27	(3,071.92)	(1.88)	228.63	(2,843.29)	0.57%
February	516,989	1,188,116	0	1,188,116	0	1,188,116	(671,127)	493,289	0.111739	0.00	0.000771	916.04	(2,155.88)	(1.46)	227.17	(1,928.71)	0.57%
March	572,380	1,023,305	0	1,023,305	0	1,023,305	(450,925)	42,363	0.111739	0.00	0.000771	788.97	(1,366.91)	(1.02)	226.15	(1,140.76)	0.57%
April	1,021,618	744,485	0	744,485	0	744,485	277,133	319,497	0.111739	0.00	0.000771	574.00	(792.91)	(0.65)	225.50	(567.41)	0.57%
May	1,059,220	464,120	0	464,120	0	464,120	595,100	914,597	0.111739	0.00	0.000771	357.84	(435.07)	(0.38)	225.12	(209.95)	0.57%
June	850,712	274,450	0	274,450	0	274,450	576,262	1,490,859	0.111739	0.00	0.000771	211.60	(223.47)	(0.21)	224.91	1.44	0.57%

(1) Includes balance of 876,680 as of June, 2021
(2) Includes balance of 0.00 as of June, 2021
(3) Includes balance of 0.00 as of June, 2021

PCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jul-20 EB-2019-0264	Quarter Starting 01-Jul-21 EB-2021-0178	\$ Change	Percent Change
Average Residential Consumption for Quarter	211.6	211.6		
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>\$24.35</u>	<u>\$23.80</u>	<u>(\$0.55)</u>	<u>-2.3%</u>
Total Customer Charges	\$372.28	\$376.71	\$4.43	1.2%

ANNUAL BILL IMPACT

	01-Jul-20 EB-2021-0100	01-Jul-21 EB-2021-0178	\$ Change	Percent Change
Average Residential Consumption	2,149.0	2,149.0		
Monthly Charges	\$321.36	\$321.36	\$0.00	0.0%
Delivery Charges	\$587.81	\$587.81	\$0.00	0.0%
Upstream Charges	\$89.66	\$89.66	\$0.00	0.0%
Total Commodity Charges	<u>\$291.77</u>	<u>\$241.78</u>	<u>(\$49.99)</u>	<u>-17.1%</u>
Total Customer Charges	\$1,290.60	\$1,240.61	(\$49.99)	-3.9%

RATES USED (1)

	01-Jan-20 EB-2019-0264	01-Apr-21 EB-2021-0100	01-Jul-21 EB-2021-0178
Monthly Charge	26.38	26.78	26.78
Delivery Charge - first 100 m3	0.271967	0.276210	0.276210
Delivery Charge - next 400 m3	0.266610	0.270769	0.270769
Delivery Charge - after 500 m3	0.258735	0.262771	0.262771
Upstream Charges - Recovery	0.014740	0.014740	0.014740
Upstream Charges - Tport Storage	0.026982	0.026982	0.026982
Gas Supply Charge	0.115114	0.135771	0.112510

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

**APPENDIX "A" TO
DECISION AND RATE ORDER**

OEB File No: EB-2021-0178

Dated: June XX, 2021

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	11.2510 ¢ 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: July 1, 2021

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

EB-2021-0178

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	11.2510	¢ 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: July 1, 2021

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

EB-2021-0178

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	0.5524 ¢ per m ³
- effective for 10 years ending December 31, 2028	
Federal Carbon Charge (if applicable)	5.8700 ¢ per m ³
Gas Supply Charge	11.2510 ¢ 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 Charge

394.9668 ¢ 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: July 1, 2021

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

EB-2021-0178

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: July 1, 2021

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

EB-2021-0178

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 %
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Gas Supply:

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

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

The Gas Supply calculation shall equal:

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

Terms and Conditions of Service

The provisions in the "T-Service Receipt Contract General Terms and Conditions" apply, as contemplated therein, to service under this Rate Schedule.

Effective: July 1, 2021

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

EB-2021-0178

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-2021-0178
Dated: June XX, 2021

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-2021-0178

Dated: June XX, 2021

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

Gas Commodity:

On all bills rendered by EPCOR on or after July 1, 2021, the price we charge for the gas commodity and transportation portion of your bill will be decreasing by \$0.023261 per cubic meter to \$0.112510 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 June, 2022. 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 decrease by approximately \$50 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