

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by EPCOR Natural Gas Limited Partnership pursuant to section 36 of the Act, for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of gas to be effective January 1, 2022.

**AFFIDAVIT OF SERVICE**

I, **Tim Hesselink**, residing in the Town of Collingwood in the Province of Ontario, Canada, make **OATH AND SAY** as follows:

1. I am employed as the Senior Manager, Regulatory Affairs for EPCOR Natural Gas Limited Partnership (“ENGLP”) and as such, I have knowledge of the matters hereinafter deposed to.
2. On September 27, 2021, I filed with the Ontario Energy Board (the “Board”) ENGLP’s 2022 incentive rate application for the South Bruce territory, for rates effective January 1, 2022 (the “Application”).
3. In accordance with the October 12, 2021 Letter of Direction issued by the Board, I caused to be served by email a copy of the Notice of Hearing (“Notice”) for ENGLP’s Application (Exhibit “A”) and the Application and evidence (Exhibit “B”). The Notice, Application and evidence were served on the following parties as requested by the Board in the Letter of Direction:
  - a. All intervenors in EB-2018-0264 (Exhibit “C”);
  - b. Enbridge Gas Inc. (Exhibit “C”); and
  - c. The clerks of all municipalities in which ENGLP (South Bruce) supplies gas (Exhibit “C”).

4. EPCOR did not serve a copy of the Notice, Application and evidence, directly on a band council. I am informed and verily believe that the South Bruce operations do not supply gas to Indigenous Communities or First Nation Reserves with a band council.
  
5. In accordance with the Letter of Direction, I caused a copy of the Notice, Application and evidence to be placed in a prominent place on ENGLP's website. Attached as Exhibit "D" is proof of the information posted on ENGLP's website.
  
6. I am informed and verily believe that due to the Covid-19 pandemic and for health and safety reasons, ENGLP's office is not currently open to the public; however, a copy of the Notice, Application and evidence will be made available to a public member upon request.

SWORN BEFORE ME at the Town of )  
**Collingwood** in the Province of Ontario )  
 this 4 day of **November**, 2021. )  
 \_\_\_\_\_ )  
 A Notary Public in and for Ontario )

*J. McLeish*

*Tim Hesselink*  
 \_\_\_\_\_  
**Tim Hesselink**



THIS IS EXHIBIT 'A' referred to in  
the Affidavit of Tim Hesselink sworn  
before me this 4<sup>th</sup> day of November,  
2021.

A handwritten signature in cursive script, appearing to read "Tim Hesselink", positioned above a horizontal line.

A Commissioner, etc.

# **EXHIBIT A**

**ONTARIO ENERGY BOARD NOTICE  
TO CUSTOMERS OF  
EPCOR NATURAL GAS LIMITED PARTNERSHIP  
IN THE SOUTH BRUCE SERVICE AREA**

EPCOR Natural Gas Limited Partnership has applied to raise natural gas rates in its South Bruce service area.

Learn more. Have your say.

EPCOR Natural Gas Limited Partnership has applied to the Ontario Energy Board to raise its natural gas rates, effective January 1, 2022. If the application is approved as filed, the amount EPCOR Natural Gas Limited Partnership charges a typical residential customer and a typical commercial customer in their South Bruce service area would increase by the following yearly amounts:

Customer Type	2022 Annual Bill Increase
Existing Residential	\$25.36 per year
New Residential	\$24.61 per year
Small Commercial	\$48.13 per year

The requested rate increase is set using an OEB-approved formula which is tied to inflation. The rate increase also includes EPCOR Natural Gas Limited Partnership's request to dispose of the balances in certain deferral and variance accounts.

Other customers may also be affected. It is important to review the application carefully to determine whether you may be affected by these changes.

**THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING**

The Ontario Energy Board (OEB) will hold a public hearing to consider the application filed by EPCOR Natural Gas Limited Partnership. During the hearing, which could be an oral or written hearing, we will question EPCOR Natural Gas Limited Partnership on the request for a rate increase. We will also hear questions and arguments from individuals that have registered to participate (called intervenors) in the OEB's hearing. At the end of this hearing, the OEB will decide what, if any, rate increase will be allowed.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

**BE INFORMED AND HAVE YOUR SAY**

You have the right to information regarding this application and to be involved in the process.

- You can review EPCOR Natural Gas Limited Partnership's application on the OEB's website now
- You can file a letter with your comments, which will be considered during the hearing
- You can become an intervenor. As an intervenor you can ask questions about EPCOR Natural Gas Limited Partnership's application and make arguments on whether the OEB should approve EPCOR Natural Gas Limited Partnership's request. Apply by **November 2, 2021** or the hearing will go ahead without you and you will not receive any further notice of the proceeding
- At the end of the process, you can review the OEB's decision and its reasons on our website

The OEB does not intend to provide for an award of costs for this hearing.

**LEARN MORE**

Our file number for this case is **EB-2021-0216**. To learn more about this hearing, find instructions on how to file a letter with your comments or become an intervenor, or to access any document related to this case, please enter the file number **EB-2021-0216** on the OEB website: [www.oeb.ca/participate](http://www.oeb.ca/participate). You can also phone our Public Information Centre at 1-877-632-2727 with any questions.

**ORAL VS. WRITTEN HEARINGS**

There are two types of OEB hearings – oral and written. ENGLP has requested for a written hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **November 2, 2021**.

**PRIVACY**

*If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.*

*This rate hearing will be held under section 36 of the Ontario Energy Board Act, 1998, S.O. 1998, c.15 Schedule B.*



Ontario  
Energy  
Board

Commission  
de l'énergie  
de l'Ontario

THIS IS EXHIBIT 'B' referred to in  
the Affidavit of Tim Hesselink sworn  
before me this 4<sup>th</sup> day of November,  
2021.

*H. m. Lust*

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A Commissioner, etc.

# **EXHIBIT B**



**EPCOR Natural Gas Limited Partnership**  
**South Bruce**

**2022 Incentive Rate Adjustment Application**

**EB-2021-0216**

**Rates Effective: January 1, 2022**

**Date Filed: September 27, 2021**



## Index

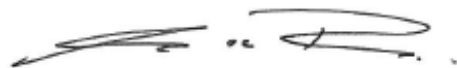
CERTIFICATION OF EVIDENCE .....	3
APPLICATION .....	4
MANAGER’S SUMMARY .....	9
Deferral and Variance Accounts .....	13
Bill Impacts .....	22
Appendix A - 2022 Annual Incentive Rate Adjustment Model .....	23
Appendix B - Proposed Draft Rate Schedules .....	43
Appendix C - Proposed Customer Notice .....	56
Appendix D - Auditor’s Report .....	59
Appendix E - Draft ADVADA Accounting Order .....	65

## CERTIFICATION OF EVIDENCE

The undersigned, being EPCOR Ontario Utilities Inc.'s Vice President, Ontario Region, Susannah Robinson hereby certifies for and on behalf of EPCOR Natural Gas Limited Partnership (ENGLP), as general partner of ENGLP that:

1. I am a senior officer of EPCOR Ontario Utilities Inc., which is the general partner of ENGLP;
2. This certificate is given pursuant to Chapter 1 of the Ontario Energy Board's (the "**Board**") Filing Requirements for Natural Gas Rate Applications dated February 16, 2017; and
3. The evidence submitted in support of ENGLP's 2022 Incentive Rate Adjustment Application for its South Bruce operations, filed with the Board on September 27, 2021 is accurate, consistent and complete to the best of my knowledge.
4. The evidence filed in support of this application does not include any personal information (as that phrase is defined in the Freedom of Information and Protection of Privacy Act), that is not otherwise redacted in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

DATED this 27th day of September, 2021



Susannah Robinson

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Vice President, Ontario Region  
EPCOR Ontario Utilities Inc.

## ONTARIO ENERGY BOARD

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

**AND IN THE MATTER OF** an application by EPCOR Natural Gas Limited Partnership pursuant to section 36(1) of the OEB Act for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of gas to be effective January 1, 2022 for the EPCOR Natural Gas Limited Partnership gas distribution system to serve the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss.

## APPLICATION

1. The Applicant is EPCOR Natural Gas Limited Partnership (“EPCOR”), a wholly-owned indirect subsidiary of EPCOR Utilities Inc. (“EUI”). The general partner of ENGLP is EPCOR Ontario Utilities Inc. and the sole limited partner is EPCOR Commercial Services Inc. (formerly named EPCOR Power Development Corporation), which are both subsidiaries of EUI. EPCOR has offices in the Town of Aylmer and Kincardine and carries on the business of selling and distributing natural gas within the Province of Ontario.
2. EPCOR is developing a greenfield natural gas distribution utility (“**South Bruce**”) to service the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss (collectively the “**South Bruce Municipalities**”). South Bruce, which is a division of EPCOR, connected its first customers in the third quarter of 2020 (“**QIII, 2020**”). EPCOR filed a Custom Incentive Rate setting plan (“**Custom IR**”) Application (EB-2018-0264) with the Ontario Energy Board (“**Board**”) on October 2, 2018 (updated April 11, 2019) for South Bruce to seek approval for a tariff and other matters under which it would provide service to the South Bruce Municipalities. The Application sought approval for distribution rates based on a ten-year Custom IR effective January 1, 2019, establishment of certain deferral and variance accounts, approval of the proposed performance score card, and as well as further orders in all other respects to give effect to the proposals described in that Application and Evidence.
3. The parties to EB-2018-0264 submitted a settlement proposal in which settlement on a

number of issues was proposed. On October 3, 2019 the Board issued a Decision on Settlement Proposal and Procedural Order No. 6 in which it approved the settlement proposal. On November 28, 2019 the Board issued its Decision and Order in which it addressed outstanding issues that were not addressed in the approved settlement proposal and approved South Bruce's rates to be effective January 1, 2019. A final Rate Order was issued on January 9, 2020.

4. Consistent with EB-2019-0264, per the terms of the settlement proposal, and the rates application, EPCOR will file an annual Incentive Rate Adjustment (“IR”). This IR is to be applied to the Monthly Fixed Charge and Delivery Charge in each rate class and the Authorized Overrun and Unauthorized Overrun charges for Rates 11 & 16. The agreed to formula for determining the IR is as follows:

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

5. The Inflation factor (“I”) will equal the inflation value the Board determines each year in its annual generic inflation amount. As of the filing date of this Application, the Board has not yet confirmed the 2-factor Input Price Index (“IPI”) for use in 2022 rates. For the purposes of this Application, EPCOR has used an inflation factor of 3.3%, which is the IPI issued by the Board as included in the notice of hearing to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022 (EB-2021-0212). Should this value change, EPCOR will file a revised submission accordingly.
6. Specifically in this application, EPCOR is applying for an order or orders granting that distribution rates be updated effective January 1, 2022 and adjusted in accordance with the EB-2018-0264 Decision and Order, including adjusting the Monthly Fixed Charge and Delivery Charge for each rate class and the Authorized Overrun and Unauthorized Overrun charges for Rates 11 & 16 by the IR factor as calculated below.
7. EPCOR is also applying for approval to dispose of three approved deferral and variance accounts as part of this application (balances as of December 31, 2020):
  - Energy Content Variance Account (“ECVA”)

- Contribution in Aid of Construction Variance Account (“CIACVA”)
  - External Funding Variance Account (“EFVA”)
8. Furthermore, EPCOR is applying for approval of an Approved Deferral/Variance Disposal Account (“ADVADA”) to track the collection/refund of all deferral and variance accounts against the balances which have been approved for disposition.
  9. Finally, EPCOR is requesting to revise the existing accounting order for the Municipal Tax Variance Account (“MTVA”) to more accurately reflect the agreed-upon purpose of the account.
  10. EPCOR has prepared an Excel workbook based on the 2022 Annual Incentive Rate Adjustment Model to support the calculation of rates in the Application. A live working version of this model has been filed as supporting material. A hard copy of the model is provided in Appendix A.
  11. EPCOR seeks issuance of a Decision and Order by December 1, 2021, to ensure the implementation of 2022 rates by January 1, 2022. In the event that the Board does not issue a rate order by December 1, 2021 EPCOR requests that the Board issue an Interim Rate Order declaring the current distribution rates as interim until the decided implementation date of the approved 2022 distribution rates.
  12. In the event that the Board’s implementation date for 2022 distribution rates is later than the effective date, EPCOR requests permission to recover the incremental revenue from the effective date of January 1, 2022 to the implementation date through the implementation of a fixed-term rate rider.
  13. EPCOR requests that since this is a Custom IR update application, that the Board’s streamlined process for applications of this nature be followed. Since the elements included in this application and the rate adjustments contemplated are largely mechanistic, and further to the Board’s authority under sections 6(4) and (8) and section 21(4) of the OEB Act, EPCOR requests this Application be decided by delegated authority without hearing.

14. In the instance that the Board agrees to EPCOR's request to have this application decided by delegated authority, Appendix C includes a draft customer notice. This notice would be also posted on our website for access by potential customers.

## Application Contact Information

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

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

Address for personal service and mailing address:

43 Stewart Road  
Collingwood, ON, L9Y 4M7

Telephone: (705) 445-1800 ext. 2274  
E-Mail: [Thesselink@epcor.com](mailto:Thesselink@epcor.com)

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Legal Counsel  
EPCOR Utilities Inc.

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E-Mail: [DOCallaghan@epcor.com](mailto:DOCallaghan@epcor.com)

Dated at Collingwood, Ontario this 27th day of September, 2021.

**EPCOR NATURAL GAS LIMITED PARTNERSHIP**



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Tim Hesselink

## MANAGER'S SUMMARY

### Annual Incentive Rate Adjustment

15. The IR formula is as follows:

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

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

16. In the Report of the Board: *Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors*, the Board adopted a 2-factor Input Price Index ("IPI") methodology. The Board uses the year-over-year change in the GDP-IPI ("FDD"), and the Average Weekly Earnings ("AWE") All Employees-Ontario, to calculate the IPI. The percentage change is calculated as the weighted sum of 70% of the annual percentage change in the FDD for the prior year relative to the index value for two years prior and 30% of the annual percentage change in the AWE for the prior year relative to the data for years prior. For the purposes of this Application, EPCOR has used an inflation factor of 3.3%, which is the IPI issued by the Board as included in the notice of hearing to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022 (EB-2021-0212). Should this value change, EPCOR will file a revised submission accordingly.

17. The calculation of the IR is as follows:

$$\text{IR} = [(1.0 - 0.314) \times 0.0127] + [0.314 \times 0.0330]$$

$$\text{IR} = 0.0191$$

18. The IR of 1.91% has been used in the 2022 Annual Incentive Rate Adjustment model to determine the proposed distribution rates. The IR has been applied to the Monthly Fixed Charge and Delivery Charge in each rate class. It has also been applied to the Authorized and Unauthorized Overrun Charges for Rate 11 and 16 Customers. EPCOR continues to connect customers as part of the Southern Bruce project and forecast values for



customer connections and volumes are consistent with the projections included in the 2021 Annual Update to the Gas Supply Plan (EB-2021-0146).

19. For comparison purposes, Tables 1 and 2 following, provide the current and proposed distribution rates:

**Table 1 - Current Distribution Rates**

Rate Class		Fixed Monthly Base	Bill 32 Rate	Delivery Charge			Delivery Charge Contract Demand	Gas Supply	Upstream Recovery Charge	Transportation & Storage Charge	Transportation Charge From Dawn	Transportation Charge From Kirkwall	Transportation Charge From Parkway	Federal Carbon Charge
				Tier 1	Tier 2	Tier 3								
		\$/month	\$/month	¢ / m3	¢ / m3	¢ / m3	¢ /contracted m3	¢ / m3	(A)	¢ / m3	¢ /contracted m3	¢ /contracted m3	¢ /contracted m3	¢ / m3
Rate 1	General Firm Service	25.78	1.00	27.6210	27.0769	26.2771		12.9861	1.4740	2.6982				7.83
Rate 6	Large Volume General Firm Service	105.15	1.00	25.4811	22.9330	21.7862		12.9861	2.9200	5.6413				7.83
Rate 11	Large Volume Seasonal Service	210.29	1.00	15.8280	15.8280	15.8280		12.9861	0.0352	1.8166				7.83
Rate 16	Contracted Firm Service	1,546.25	1.00				105.4686		14.2434		18.2999	11.8480	11.8480	7.83

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

**Table 2 - Proposed Distribution Rates**

Rate Class		Fixed Monthly Base	Bill 32 Rate	Delivery Charge			Delivery Charge Contract Demand	Gas Supply	Upstream Recovery Charge	Transportation & Storage Charge	Transportation Charge From Dawn	Transportation Charge From Kirkwall	Transportation Charge From Parkway	Federal Carbon Charge
				Tier 1	Tier 2	Tier 3								
		\$/month	\$/month	¢ / m3	¢ / m3	¢ / m3	¢ /contracted m3	¢ / m3	(A)	¢ / m3	¢ /contracted m3	¢ /contracted m3	¢ /contracted m3	¢ / m3
Rate 1	General Firm Service	26.27	1.00	28.1486	27.5941	26.7790		11.2510	1.4740	2.6982				7.83
Rate 6	Large Volume General Firm Service	107.16	1.00	25.9678	23.3710	22.2023		11.2510	2.9200	5.6413				7.83
Rate 11	Large Volume Seasonal Service	214.31	1.00	16.1303	16.1303	16.1303		11.2510	0.0352	1.8166				7.83
Rate 16	Contracted Firm Service	1,575.78	1.00				107.4831		14.2434		18.2999	11.8480	11.8480	7.83

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

## Other Revenues

20. The EB-2018-0264 Decision and Order (issued November 28, 2019) includes a summary of unsettled issues and OEB findings. As noted in Issue 3c of this decision (page 10 of 28):
  
21. *The OEB accepts EPCOR South Bruce's submission that it did not include in its CIP either the incremental costs or revenues associated with providing services that generate Other revenues. The charges that generate Other Revenues should be based on the cost of providing that service therefore the net revenue should not be material. For the years 2019 to 2021, Other revenues will be set at zero, given the greenfield nature of the utility. Whether a deferral account should be approved for 2022 for incremental net revenues can be determined in the 2022 IRM rate application. However, the OEB notes that the specific service charges that EPCOR South Bruce will charge its customers were approved by the OEB as part of the Settlement Proposal. The OEB considers these specific service charges an integral part of distribution services for gas customers that must be approved by the OEB*

EPCOR notes that the following 'other revenue' amounts have been collected:

2020 - \$35

2021 - \$1640 (amounts collected at the time of filing)

22. Due to the immaterial amounts of other revenue collected, EPCOR recommends to defer the decision regarding the approval of a deferral account until the 2023 filing.

## Deferral and Variance Accounts

23. In Rate Order EB-2018-0264<sup>1</sup>, EPCOR was granted approval to establish the following deferral and variance accounts:
- a) Purchased Gas Commodity Variance Account
  - b) Gas Purchase Rebalancing Account
  - c) Storage and Transportation Variance Account for Rates 1, 6 and 11
  - d) Transportation Variance Account for Rate 16
  - e) Unaccounted for Gas Variance Account
  - f) Greenhouse Gas Emissions Administration Deferral Account
  - g) Federal Carbon Charge – Customer Variance Account
  - h) Federal Carbon Charge – Facility Deferral/Variance Account
  - i) Municipal Tax Variance Account
  - j) Energy Content Variance Account
  - k) Contribution in Aid of Construction Variance Account
  - l) External Funding Variance Account
24. As part of this application, EPCOR is seeking disposition to approve of the December 31, 2020 audited balances of:
- a) Energy Content Variance Account (“ECVA”)
  - b) Contribution in Aid of Construction Variance Account (“CIACVA”)
  - c) External Funding Variance Account (“EFVA”)

The auditor’s report on the December 31, 2020 balances for each of the three accounts above has been included as part of this Application in Appendix D.

A summary of the account balances can be seen below in Table 3:

Account	Balance Dec 31, 2020	2020 Carrying Charges	2021 Carrying Charges	Balance Dec 31, 2021
ECVA	\$ 14,107	\$ 12	\$ 80	\$ 14,199
CIACVA	\$ 61,509	\$ (518)	\$ 351	\$ 61,341
EFVA	\$ 56,276	\$ 563	\$ 321	\$ 57,160
Total	\$ 131,892	\$ 57	\$ 752	\$ 132,700

*2021 carrying charges have been calculated using the OEB’s prescribed rates (0.57%).*

<sup>1</sup> EB-2018-0264 Rate Order, January 9, 2020, Schedule B

## Energy Content Variance Account

25. The Energy Content Variance Account (“ECVA”) records differences in variable revenues resulting from differences in the energy content of the gas actually delivered and the assumed energy content of 38.89MJ/M3 used in determining EPCOR South Bruce’s revenue requirement and delivery rates as approved in EB-2018-0264. Differences in the energy content of the gas delivered from the assumed energy content would impact the actual volumes delivered thereby impacting the amount of revenue collected over EPCOR’s 10-year rate stability period.
26. As per the ECVA accounting order<sup>2</sup>: the audited balance in this account, together with carrying charges, will be brought forward for approval for disposition on an annual basis. The balance in this account will be apportioned to Rates 1, 6 and 11 based on forecasted volumes underpinning CIP revenues for each rate class.
27. The calculation of the projected total amount proposed for disposal is summarized in Table 4 below and further details of the specific items making up these balances are provided in the continuity schedule in Appendix D.

**Table 4 - Projected Total ECVA Amount for Disposal**

ECVA	Balance	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Balance
	Dec 31, 2020	0.57%	0.57%	0.57%	0.57%	Dec 31, 2021
Principal	\$ 14,107					\$ 14,107
Carrying Charges	<u>\$ 12</u>	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 92</u>
Total	\$ 14,119	\$ 20	\$ 20	\$ 20	\$ 20	<b>\$ 14,199</b>

28. EPCOR proposes to recover the costs related to the above proceeding from customers in rates 1, 6 and 11 based on revised forecast volumes. The ECVA balances are proposed to be recovered through the implementation of a twelve-month variable-rate rate rider commencing on January 1, 2022. The calculation of the proposed rate rider is shown in Table 5 below.

<sup>2</sup> EB-2018-0264 Rate Order, January 9, 2020, page 30 of 34

**Table 5 - Calculation of Proposed ECVA Rate Rider**

		A	B	C	D	E
		Unit	Row Sum	Rate 1 - General Firm Service	Rate 6 - Large Volume General Firm Service	Rate 11 - Large Volume Season Service
1	Volume	m3	10,121,579	6,709,090	1,816,595	1,595,894
2	Allocation	%	100%	66.29%	17.95%	15.77%
3	Sum	\$	\$14,199	\$9,412	\$2,548	\$2,239
4	<b>Rate Rider / month</b>	<b>¢/m3</b>		<b>0.1403</b>	<b>0.1403</b>	<b>0.1403</b>

### Contribution in Aid of Construction Variance Account

29. The Contribution in Aid of Construction Variance Account (“CIACVA”) records the revenue requirement impact of any differences between the actual capital contributions that EPCOR South Bruce pays to Enbridge Gas/Union Gas related to Enbridge’s Owen Sound Transmission Reinforcement and the Dornoch Meter and Regulator Station, and the capital contribution included for these projects for the purposes of determining EPCOR’s approved rates
  
30. As per the CIACVA accounting order<sup>3</sup>: the balance in this account, together with carrying charges, will be brought forward for disposition on an annual basis at which time EPCOR will propose a methodology and timing for disposition of the balance that aligns with customers’ use of the capacity and EPCOR’s rate smoothing objectives.
  
31. The calculation of the projected total amount proposed for disposal is summarized in Table 6 below and further details of the specific items making up these balances are provided in the continuity schedule in Appendix D.

<sup>3</sup> EB-2018-0264 Rate Order, January 9, 2020, page 30 of 34

**Table 6 - Projected Total CIACVA Amount for Disposal**

CIACVA	Balance Dec 31, 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Balance Dec 31, 2021
		0.57%	0.57%	0.57%	0.57%	
Principal	\$ 61,509					\$ 61,509
Carrying Charges	\$ (518)	\$ 88	\$ 88	\$ 88	\$ 88	\$ (168)
<b>Total</b>	<b>\$ 60,991</b>	<b>\$ 88</b>	<b>\$ 88</b>	<b>\$ 88</b>	<b>\$ 88</b>	<b>\$ 61,341</b>

32. EPCOR proposes to recover costs from customers in rates 1, 6, 11 and 16 (all rate classes) based on revised forecast volumes allocated by distribution rate base assumptions included in the CIP. The EFVA balances are proposed to be recovered through the implementation of a twelve-month variable-rate rate rider commencing on January 1, 2022. The calculation of the proposed rate rider is shown in Table 7 below. Rate riders for rates 1,6 & 11 are projected based on m3 volumes and rate 16 is based on contract demand (CD).

**Table 7 - Calculation of Proposed CIACVA Rate Rider**

		A	B	C	D	E	F	G
		Unit	Row Sum	Rate 1 - General Firm Service	Rate 6 - Large Volume General Firm Service	Rate 11 - Large Volume Season Service	Unit	Rate 16 - Contracted Firm Service
1	Volume	m3	38,301,632	29,775,947	6,709,090	1,816,595	contract demand	89,716
2	Allocation <sup>(1)</sup>	%	85%	61%	21%	3%	%	15%
3	Sum	\$	\$52,140	\$37,418	\$12,882	\$1,840	\$	\$9,201
<b>4</b>	<b>Rate Rider</b>	<b>¢/m3</b>		<b>0.1257</b>	<b>0.1920</b>	<b>0.1013</b>	<b>¢/CD/month</b>	<b>0.8547</b>

## External Funding Variance Account

33. The External Funding Variance Account (“EFVA”) records the impact of the difference in timing and quantum of external funding available to the South Bruce project versus EPCOR’s forecast as reflected in approved rates. EPCOR is expecting \$22.0 million in funding as detailed in Schedule 1 of the Ontario Regulation 24/19 Expansion of Natural Gas Distribution Systems.
34. As per the EFVA accounting order<sup>4</sup>: The balance in this account, together with carrying charges, will be brought forward for disposition as part of the annual IR application following receipt of the final payment (which was received in 2020).
35. The calculation of the projected total amount proposed for disposal is summarized in Table 8 below and further details of the specific items making up these balances are provided in the continuity schedule in Appendix D.

**Table 8 - Projected Total EFVA Amount for Disposal**

EFVA	Balance Dec 31, 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Balance Dec 31, 2021
		0.57%	0.57%	0.57%	0.57%	
Principal	\$ 56,276					\$ 56,276
Carrying Charges	\$ 563	\$ 80	\$ 80	\$ 80	\$ 80	\$ 884
<b>Total</b>	<b>\$ 56,839</b>	<b>\$ 80</b>	<b>\$ 80</b>	<b>\$ 80</b>	<b>\$ 80</b>	<b>\$ 57,160</b>

36. Similar to the CIACVA, EPCOR proposes to recover the costs from customers in rates 1, 6, 11 and 16 (all rate classes) based on revised forecast volumes allocated by distribution rate base assumptions included in the CIP<sup>5</sup>. The EFVA balances are proposed to be recovered through the implementation of a twelve-month variable-rate rate rider commencing on January 1, 2022. The calculation of the proposed rate rider is shown in Table 9 below. Rate riders for rates 1,6 & 11 are projected based on m<sup>3</sup> volumes and rate 16 is based on contract demand (CD).

<sup>4</sup> EB-2018-0264 Rate Order, January 9, 2020, page 34 of 34

<sup>5</sup> EB-2018-0264 Exhibit 7, Tab 1, Schedule 2



**Table 9 - Calculation of Proposed EFVA Rate Rider**

		A	B	C	D	E	F	G
		Unit	Row Sum	Rate 1 - General Firm Service	Rate 6 - Large Volume General Firm Service	Rate 11 - Large Volume Season Service	Unit	Rate 16 - Contracted Firm Service
1	Volume	m3		29,775,947	6,709,090	1,816,595	CD	89,716
2	Allocation <sup>(1)</sup>	%	100%	61%	21%	3%	%	15%
3	Sum	\$	\$57,160	\$34,866	\$12,003	\$1,715	\$	\$8,574
4	<b>Rate Rider</b>	<b>¢/m3</b>		<b>0.1171</b>	<b>0.1789</b>	<b>0.0944</b>	<b>¢/CD/month</b>	<b>0.7964</b>

*(1) Allocation amounts are based on CIP assumptions*

### **Approved Deferral/Variance Disposal Account (“ADVADA”)**

37. EPCOR is also requesting the approval of an Approved Deferral/Variance Disposal Account (“ADVADA”) to track the collection/refund of all deferral and variance accounts against the balances which have been approved for disposition. The ADVADA will allow any over or under collection/refund on ENGLP’s deferral and variance account balances which have been approved for disposition to be tracked and accounted for in the same manner as Account 1595 (Disposition and Recovery/Refund of Regulatory Balances Control Account) as per the Uniform Chart of Accounts for Electricity Distributors. This setup is consistent with EPCOR’s Aylmer accounting processes. The draft accounting order for this account is included as Appendix “E” to this application

### **Municipal Tax Variance Account**

38. EPCOR is requesting a revision of the accounting order for the Municipal Tax Variance Account to more accurately reflect the purpose of the outcome and decision of the settlement agreement in proceeding EB-2018-0264.

39. The original purpose of this account was to record any impacts to EPCOR resulting from changes in municipal tax rates or levies, or the introduction of any new municipal tax or

levies that occur during the period covered by the Application<sup>6</sup>. The accounting order included in this same schedule is consistent with this description.

40. The purpose of this account was discussed further during the interrogatory process of the filing where it was stated: *Forecasted municipal taxes included in EPCOR's OM&A are the product of forecasted assessment base and forecasted applicable municipal tax rates. In addition to uncertainty of the municipal tax rates over the 10-year rate stability period, the assessment base cannot be accurately forecasted. The assessment base is determined by the governing tax authority, and as EPCOR South Bruce is a greenfield utility it does not have the historical information required to accurately forecast how the municipalities will determine the assessment base*<sup>7</sup>.
41. Finally, in the November 28, 2019 OEB Decision and Order, it was noted: *EPCOR South Bruce noted that it had no control over the variances in taxes and it was not expected to accept the risk for these variances during the competitive process. Accordingly, the establishment of the MTVA is both consistent with EPCOR South Bruce's CIP proposal and appropriate*<sup>8</sup>.
42. The reason that the accounting order was changed during the rate application process is that EPCOR inadvertently modified the wording when providing responses as part of the IRR submission (submitting an old version). To ensure consistency and clarity, EPCOR is requesting to revise the accounting order from the "approved" accounting order to the "proposed" accounting order. Both versions are included on the pages following. If this correction is approved, EPCOR proposes to bring forward balances for disposition based on 2021 account balances during the next IR filing.

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<sup>6</sup> EB-2018-0264 Exhibit 9, Tab 2, Schedule 1 page 5 of 9

<sup>7</sup> EB-2018-0264 EPCOR IRR to 9.Staff.36

<sup>8</sup> EB-2018-0264 Decision and order dated November 28, 2019 – page 20

**Approved Accounting Order (as per Rate Order EB-2018-0264)**

EPCOR NATURAL GAS LIMITED PARTNERSHIP  
ACCOUNTING ORDER  
MUNICIPAL TAX VARIANCE ACCOUNT ("MTVA")

The Municipal Tax Variance Account ("MTVA") is to record the difference between the actual annual municipal taxes paid, net of municipal contributions related to municipal taxes, and the net municipal taxes included in the annual revenue requirement for EPCOR's South Bruce operations as approved in EB- 2018-0264 for each year of the rate stability period. The effective date of this account is January 1, 2019.

The audited balance in this account, together with carrying charges, will be brought forward for approval for disposition on an annual basis. The manner in which the account will be disposed of will be proposed at the time the account is brought forward for disposition.

Simple interest is to be calculated monthly on the opening balance of this account in accordance with the methodology approved by the Board in EB-2006-0117.

Accounting Entries

i. To record the difference between actual annual net municipal taxes paid and net municipal taxes included in the annual approved revenue requirement:

Debit/Credit Account No. 179.15 Municipal Tax Variance Account ("MTVA")

Credit/Debit Account No. 305 Municipal Tax

To record simple interest on the opening monthly balance of the MTVA:

Debit/Credit Account No.179.16 Interest on Municipal Tax Variance Account

Credit/Debit Account No. 323 Other Interest Expense

## Proposed Accounting Order

EPCOR NATURAL GAS LIMITED PARTNERSHIP  
ACCOUNTING ORDER  
MUNICIPAL TAX VARIANCE ACCOUNT ("MTVA")

The purpose of the MTVA is to record any impacts to ENGLP resulting from changes in municipal tax rates or levies, or the introduction of any new municipal tax or levies that occur during the period covered by this application.

The audited balance in this account, together with carrying charges, will be brought forward for approval for disposition on an annual basis. The manner in which the account will be disposed of will be proposed at the time the account is brought forward for disposition.

Simple interest is to be calculated monthly on the opening balance of this account in accordance with the methodology approved by the Board in EB-2006-0117.

### Accounting Entries

i. To record the difference between actual annual net municipal taxes paid and net municipal taxes included in the annual approved revenue requirement:

Debit/Credit Account No. 179.15 Municipal Tax Variance Account ("MTVA")

Credit/Debit Account No. 305 Municipal Tax

To record simple interest on the opening monthly balance of the MTVA:

Debit/Credit Account No. 179.16 Interest on Municipal Tax Variance Account

Credit/Debit Account No. 323 Other Interest Expense

## Bill Impacts

43. The following table provides a summary of bill impacts for each rate class assuming the average consumption level of the rate class based on the forecasted 2022 customer connections and volumes. The bill impact provided assumes a full 12 months of distribution service and consumption. Further details on the bill impacts as summarized below are provided in the 2022 Incentive Rate Adjustment Model.

**Table 3 – Illustrative Bill Impact Summary**

Rate Class	Description	Fixed Change (\$/year)	Volumetric Change (\$/year)	Rate Riders (\$/year)	Total Change (\$/year)	Total Change %
Rate 1	Existing Residential	5.91	11.22	8.23	25.36	1.76%
Rate 1	New Residential	5.91	10.79	7.91	24.61	1.76%
Rate 1	Small Commercial	5.91	24.24	17.98	48.13	1.74%
Rate 1	Small Agricultural	5.91	24.38	18.08	48.37	1.74%
Rate 6	Medium Commercial	24.10	122.76	137.68	284.54	1.85%
Rate 6	Large Commercial	24.10	332.14	386.91	743.15	1.85%
Rate 11	Sample Dryer 1	48.20	306.85	341.03	696.08	1.72%
Rate 11	Sample Dryer 2	48.20	1,022.83	1,136.77	2,207.79	1.91%
Rate 16	Contracted Demand	354.40	12,086.70	9,906.60	22,347.70	2.50%

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

## **Appendix A - 2022 Annual Incentive Rate Adjustment Model**

Name of LDC: EPCOR Natural Gas Limited Partnership

OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

## Distributor Information

Distributor Name

EPCOR Natural Gas Limited Partnership

OEB Application Number

EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

A1.1 Distributor Information

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Current Distribution Tariff Sheet Rates**

Rate Class		Fixed		Delivery Charge			Delivery Charge		Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m³	Transportation Charge From Dawn ¢ /contracted m³	Transportation Charge From Kirkwall ¢ /contracted m³	Transportation Charge From Parkway ¢ /contracted m³	Federal Carbon Charge ¢ / m³
		Monthly Base \$/month	Bill 32 Rate \$ / month	Tier 1 ¢ / m³	Tier 2 ¢ / m³	Tier 3 ¢ / m³	Contract Demand ¢ /contracted m³	Gas Supply ¢ / m³						
Rate 1	General Firm Service	25.78	1.00	27.6210	27.0769	26.2771		11.2510	1.4740	2.6982				7.8300
Rate 6	Large Volume General Firm Service	105.15	1.00	25.4811	22.9330	21.7862		11.2510	2.9200	5.6413				7.8300
Rate 11	Large Volume Seasonal Service	210.29	1.00	15.8280	15.8280	15.8280		11.2510	0.0352	1.8166				7.8300
Rate 16	Contracted Firm Service	1,546.25	1.00				105.4686		14.2434		18.2999	11.8480	11.8480	7.8300

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

Name for \$1 Bill 32 Rate



Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Billing Determinants**

Rate Class		Fixed	Delivery Charge			Delivery Charge	
		Monthly Base	Tier 1	Tier 2	Tier 3	Contract Demand	Gas Supply
Rate 1	General Firm Service	3,078	3,115,813	3,760,451	183,059	0	4,014,142
Rate 6	Large Volume General Firm Service	47	476,343	1,038,570	242,617	0	887,258
Rate 11	Large Volume Seasonal Service	3	0	0	744,330	0	338,332
Rate 16	Contracted Firm Service	2	0	0	0	89,716	0

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Forecasted Revenue from Current Rates**

Months / Year

Rate Class		Fixed Monthly		Delivery Charge			Delivery Charge	Gas Supply	Upstream Recovery Charge	Transportation & Storage Charge (A)	Federal Carbon Charge	Total
		Base	Bill 32 Rate	Tier 1	Tier 2	Tier 3	Contract Demand					
Rate 1	General Firm Service	952,055	36,930	860,619	1,018,213	48,102	0	451,631	59,168	108,310	314,307	3,849,336
Rate 6	Large Volume General Firm Service	58,674	558	121,377	238,175	52,857	0	99,825	25,908	50,053	69,472	716,900
Rate 11	Large Volume Seasonal Service	6,309	30	0	0	117,812	0	38,066	119	6,146	26,491	194,973
Rate 16	Contracted Firm Service	37,110	24	0	0	0	1,135,467	0	153,343	197,015	84,297	1,607,256
Total Revenue		1,054,148	37,542	981,996	1,256,389	218,772	1,135,467	589,522	238,539	361,524	494,568	6,368,466

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

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application**

**Current Rate Riders**

Description:  
Effective Until:

Delay in Revenue Recovery Rate Rider  
Dec 31, 2028

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

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application**

**Rate 1 Incentive Rate Adjustment**

D1.1 Rate 1 Adjustment

Rate 1

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.91%
12

Months / Year

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	25.78	1.91%	26.27	3,078	970,240
Bill 32 Rate	\$/month	1.00	0.00%	1.00	3,078	36,930
Tier 1	cents / m3	27.6210	1.91%	28.1486	3,115,813	877,057
Tier 2	cents / m3	27.0769	1.91%	27.5941	3,760,451	1,037,661
Tier 3	cents / m3	26.2771	1.91%	26.7790	183,059	49,021
Contract Demand	cents / m3	0.0000	1.91%	0.0000	0	0
Gas Supply	cents / m3	11.2510	0.00%	11.2510	4,014,142	451,631
Upstream Recovery Charge	cents / m3	1.4740	0.00%	1.4740	4,014,142	59,168
Transportation & Storage Charge	cents / m3	2.6982	0.00%	2.6982	4,014,142	108,310
Federal Carbon Charge	cents / m3	7.8300	0.00%	7.8300	4,014,142	314,307
						<b>3,904,325</b>





**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application**

**Rate 16 Incentive Rate Adjustment**

D1.4 Rate 16 Adjustment

Rate 16

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.91%
12

Months / Year

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	1,546.25	1.91%	1,575.78	2	37,819
Bill 32 Rate	\$/month	1.00	0.00%	1.00	2	24
Tier 1	cents / m3	0.0000	1.91%	0.0000	0	0
Tier 2	cents / m3	0.0000	1.91%	0.0000	0	0
Tier 3	cents / m3	0.0000	1.91%	0.0000	0	0
Contract Demand	Cents/contracted demand m3	105.4686	1.91%	107.4831	89,716	1,157,154
Gas Supply	cents / m3	0.0000	0.00%	0.0000	0	0
Upstream Recovery Charge	Cents/contracted demand m3	14.2434	0.00%	14.2434	89,716	153,343
Transportation Charge From Dawn	Cents/contracted demand m3	18.2999	0.00%	18.2999	89,716	197,015
Transportation Charge From Kirkwall	Cents/contracted demand m3	11.8480	0.00%	11.8480	0	0
Transportation Charge From Parkway	Cents/contracted demand m3	11.8480	0.00%	11.8480	0	0
Federal Carbon Charge	Cents/contracted demand m3	7.8300	0.00%	7.8300	89,716	84,297
						<b>1,629,652</b>

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Proposed Distribution Tariff Sheet Rates**

E1.1 Proposed Dist Rates

Rate Class		Monthly Base \$/month	Bill 32 Rate \$/month	Tier 1 ¢ / m3	Tier 2 ¢ / m3	Tier 3 ¢ / m3	Contract Demand ¢/contracted m3	Gas Supply ¢/m3	Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m3	Transportation Charge From Dawn ¢ /contracted m3	Transportation Charge From Kirkwall ¢ /contracted m3	Transportation Charge From Parkway ¢ /contracted m3	Federal Carbon Charge ¢ / m3
Rate 1	General Firm Service	26.27	1.00	28.1486	27.5941	26.7790		11.2510	1.4740	2.6982				7.8300
Rate 6	Large Volume General Firm Service	107.16	1.00	25.9678	23.3710	22.2023		11.2510	2.9200	5.6413				7.8300
Rate 11	Large Volume Seasonal Service	214.31	1.00	16.1303	16.1303	16.1303		11.2510	0.0352	1.8166				7.8300
Rate 16	Contracted Firm Service	1,575.78	1.00				107.4831		14.2434		18.2999	11.8480	11.8480	7.8300

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



Name of LDC: EPCOR Natural Gas Limited Partnership

OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

### Billing Determinants

E1.2 Billing Determinants

Rate Class	Description	Base cx's	Tier 1 m3	Tier 2 m3	Tier 3 m3	Firm Demand Contracted m3	Gas Supply m3
Rate 1	General Firm Service	3,078	3,115,813	3,760,451	183,059	0	4,014,142
Rate 6	Large Volume General Firm Service	47	476,343	1,038,570	242,617	0	887,258
Rate 11	Large Volume Seasonal Service	3	0	0	744,330	0	338,332
Rate 16	Contracted Firm Service	2	0	0	0	89,716	0

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Proposed Revenue from Rates**

Months / Year

Rate Class	Monthly Base	Bill 32 Rate	Tier 1	Tier 2	Tier 3	Contracted Demand	Gas Supply	Upstream Recovery Charge	Transportation & Storage Charge (A)	Federal Carbon Charge	Total	
Rate 1	General Firm Service	970,240	36,930	877,057	1,037,661	49,021	0	451,631	59,168	108,310	314,307	3,904,325
Rate 6	Large Volume General Firm Service	59,794	558	123,696	242,724	53,867	0	99,825	25,908	50,053	69,472	725,897
Rate 11	Large Volume Seasonal Service	6,429	30	0	0	120,063	0	38,066	119	6,146	26,491	197,344
Rate 16	Contracted Firm Service	37,819	24	0	0	0	1,157,154	0	153,343	197,015	84,297	1,629,652

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

Proposed Revenue	6,457,219
Current Revenue	6,368,466
Change	88,753
% Change	1.39%

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application**  
 F1.3 Rate Riders

**Delay in Revenue Recovery Rate Rider**

Delay in Revenue Recovery Rate Rider

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

**Energy Content Variance Account (ECVA)**

ECVA Rate Rider

Rate 1   General Firm Service	0.1403	Cents/m3
Rate 6   Large Volume General Firm Service	0.1403	Cents/m3
Rate 11   Large Volume Seasonal Service	0.1403	Cents/m3
Rate 16   Contracted Firm Service	0.0000	Cents/contracted demand m3

**Contribution in Aid of Construction Variance Account (CIACVA)**

CIACVA Rate Rider

Rate 1   General Firm Service	0.1257	Cents/m3
Rate 6   Large Volume General Firm Service	0.1920	Cents/m3
Rate 11   Large Volume Seasonal Service	0.1013	Cents/m3
Rate 16   Contracted Firm Service	0.8547	Cents/contracted demand m3

**External Funding Variance Account (EFVA)**

EFVA Rate Rider

Rate 1   General Firm Service	0.1171	Cents/m3
Rate 6   Large Volume General Firm Service	0.1789	Cents/m3
Rate 11   Large Volume Seasonal Service	0.0944	Cents/m3
Rate 16   Contracted Firm Service	0.7964	Cents/contracted demand m3

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

Rate 1 Delivery Bill Impact

G1.1 Rate 1 Bill Impact

Rate 1

Rate 1 - Existing Residential	Units	Current Rate	Proposed Rate
Customer	\$/month	25.78	26.27
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	27.6210	28.1486
Next 400 m3	¢/m3	27.0769	27.5941
GT 500m3	¢/m3	26.2771	26.7790
Contracted Demand	¢ / contracted m3	-	-
Gas Supply	¢/m3	11.2510	11.2510
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	7.8300	7.8300

Rate Riders	Units	Current Rate	Proposed Rate
Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
ECVA Rate Rider	¢/m3	-	0.1403
CIACVA Rate Rider	¢/m3	-	0.1257
EFVA Rate Rider	¢/m3	-	0.1171

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	309.36	315.27	5.91	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 100 m3	1,001	276.57	281.86	5.28	1.91%
Next 400 m3	1,148	310.76	316.69	5.94	1.91%
GT 500m3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	2,149.00	241.78	241.78	0.00	0.00%
Upstream Recovery Charge	2,149.00	31.68	31.68	0.00	0.00%
Transportation & Storage Charge	2,149.00	57.98	57.98	0.00	0.00%
Federal Carbon Charge	2,149.00	168.27	168.27	0.00	0.00%
<b>Total Delivery</b>		<b>1,408.40</b>	<b>1,425.53</b>	<b>17.13</b>	<b>1.22%</b>

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	2,149.00	35.09	35.09	0.00	0.00%
ECVA Rate Rider	2,149.00	0.00	3.02	3.02	#DIV/0!
CIACVA Rate Rider	2,149.00	0.00	2.70	2.70	#DIV/0!
EFVA Rate Rider	2,149.00	0.00	2.52	2.52	#DIV/0!
<b>Total Rate Riders</b>		<b>35.09</b>	<b>43.33</b>	<b>8.23</b>	<b>23.46%</b>

Total Bill Impact	Current Rate	Proposed Rate	Change \$	Change %
	1,443.50	1,468.85	25.36	1.8%

Rate 1 - New Residential	Units	Current Rate	Proposed Rate
Customer	\$/month	25.78	26.27
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	27.6210	28.1486
Next 400 m3	¢/m3	27.0769	27.5941
GT 500m3	¢/m3	26.2771	26.7790
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.2510	11.2510
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	7.8300	7.8300

Rate Riders	Units	Current Rate	Proposed Rate
Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
ECVA Rate Rider	¢/m3	0.0000	0.1403
CIACVA Rate Rider	¢/m3	0.0000	0.1257
EFVA Rate Rider	¢/m3	0.0000	0.1171

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	309.36	315.27	5.91	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 100 m3	993	274.31	279.55	5.24	1.91%
Next 400 m3	1,073	290.50	296.05	5.55	1.91%
GT 500m3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	2,066.00	232.45	232.45	0.00	0.00%
Upstream Recovery Charge	2,066.00	30.45	30.45	0.00	0.00%
Transportation & Storage Charge	2,066.00	55.74	55.74	0.00	0.00%
Federal Carbon Charge	2,066.00	161.77	161.77	0.00	0.00%
<b>Total Delivery</b>		<b>1,366.58</b>	<b>1,383.28</b>	<b>16.70</b>	<b>1.22%</b>

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	2,066.00	33.74	33.74	0.00	0.00%
ECVA Rate Rider	2,066.00	0.00	2.90	2.90	#DIV/0!
CIACVA Rate Rider	2,066.00	0.00	2.60	2.60	#DIV/0!
EFVA Rate Rider	2,066.00	0.00	2.42	2.42	#DIV/0!
<b>Total Rate Riders</b>		<b>33.74</b>	<b>41.65</b>	<b>7.91</b>	<b>23.46%</b>

Total Bill Impact	Current Rate	Proposed Rate	Change \$	Change %
	1,400.32	1,424.93	24.61	1.8%

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Rate 1 Delivery Bill Impact**

Rate 1 - Small Commercial	Units	Current Rate	Proposed Rate
Customer	\$/month	25.78	26.27
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	27.6210	28.1486
Next 400 m3	¢/m3	27.0769	27.5941
GT 500m3	¢/m3	26.2771	26.7790
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.2510	11.2510
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	7.8300	7.8300

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
ECVA Rate Rider	¢/m4	0.0000	0.1403
CIACVA Rate Rider	¢/m5	0.0000	0.1257
EFVA Rate Rider	¢/m6	0.0000	0.1171

**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	309.36	315.27	5.91	1.91%
Bill 32 Rate	12.00	12.00	0.00	0.00%
First 100 m3	1,198	330.95	337.27	6.32
Next 400 m3	2,475	670.15	682.95	12.80
GT 500m3	1,020	267.98	273.10	5.12
Contracted Demand	-	0.00	0.00	0.00
Gas Supply	4,693.00	528.01	528.01	0.00
Upstream Recovery Charge	4,693.00	69.17	69.17	0.00
Transportation & Storage Charge	4,693.00	126.63	126.63	0.00
Federal Carbon Charge	4,693.00	367.46	367.46	0.00
<b>Total Delivery</b>	<b>2,681.71</b>	<b>2,711.86</b>	<b>30.15</b>	<b>1.12%</b>

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	4,693.00	76.64	76.64	0.00
ECVA Rate Rider	4,693.00	0.00	6.58	6.58
CIACVA Rate Rider	4,693.00	0.00	5.90	5.90
EFVA Rate Rider	4,693.00	0.00	5.50	5.50
<b>Total Rate Riders</b>	<b>76.64</b>	<b>94.61</b>	<b>17.98</b>	<b>23.46%</b>

**Total Bill Impact**

	<b>2,758.35</b>	<b>2,806.48</b>	<b>48.13</b>	<b>1.7%</b>
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**Rate 1 - Small Agricultural**

Rate 1 - Small Agricultural	Units	Current Rate	Proposed Rate
Customer	\$/month	25.78	26.27
Bill 32 Rate	\$/month	1.00	1.00
First 100 m3	¢/m3	27.6210	28.1486
Next 400 m3	¢/m3	27.0769	27.5941
GT 500m3	¢/m3	26.2771	26.7790
Contracted Demand	¢ / contracted m3	0.0000	0.0000
Gas Supply	¢/m3	11.2510	11.2510
Upstream Recovery Charge	¢/m3	1.4740	1.4740
Transportation & Storage Charge	¢/m3	2.6982	2.6982
Federal Carbon Charge	¢/m3	7.8300	7.8300

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330
ECVA Rate Rider	¢/m4	0.0000	0.1403
CIACVA Rate Rider	¢/m5	0.0000	0.1257
EFVA Rate Rider	¢/m6	0.0000	0.1171

**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	309.36	315.27	5.91	1.91%
Bill 32 Rate	12.00	12.00	0.00	0.00%
First 100 m3	1,199	331.10	337.43	6.32
Next 400 m3	2,484	672.61	685.45	12.85
GT 500m3	1,037	272.55	277.75	5.21
Contracted Demand	-	0.00	0.00	0.00
Commodity	4,720.00	531.05	531.05	0.00
Upstream Recovery Charge	4,720.00	69.57	69.57	0.00
Transportation & Storage Charge	4,720.00	127.36	127.36	0.00
Federal Carbon Charge	4,720.00	369.58	369.58	0.00
<b>Total Delivery</b>	<b>2,695.17</b>	<b>2,725.45</b>	<b>30.29</b>	<b>1.12%</b>

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	4,720.00	77.08	77.08	0.00
ECVA Rate Rider	4,720.00	0.00	6.62	6.62
CIACVA Rate Rider	4,720.00	0.00	5.93	5.93
EFVA Rate Rider	4,720.00	0.00	5.53	5.53
<b>Total Rate Riders</b>	<b>77.08</b>	<b>95.16</b>	<b>18.08</b>	<b>23.46%</b>

**Total Bill Impact**

	<b>2,772.25</b>	<b>2,820.61</b>	<b>48.37</b>	<b>1.7%</b>
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Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Rate 6 Delivery Bill Impact**

G1.2 Rate 6 Bill Impact

Rate 6 - Medium Commercial		Units	Current Rate	Proposed Rate
Customer		\$/month	105.15	107.16
Bill 32 Rate		\$/month	1.00	1.00
First 1000 m3		¢/m3	25.4811	25.9678
Next 6000 m3		¢/m3	22.9330	23.3710
GT 7000m3		¢/m3	21.7862	22.2023
Contracted Demand	¢ / contracted m3		-	-
Gas Supply		¢/m3	11.2510	11.2510
Upstream Recovery Charge		¢/m3	2.9200	2.9200
Transportation & Storage Charge		¢/m3	5.6413	5.6413
Federal Carbon Charge		¢/m3	7.8300	7.8300
<b>Rate Riders</b>				
Delay in Revenue Recovery Rate Rider		¢/m3	0.9090	0.9090
ECVA Rate Rider			-	0.1403
CIACVA Rate Rider			-	0.1920
EFVA Rate Rider			-	0.1789

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	1,261.80	1,285.90	24.10	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 1000 m3	9,832	2,505.19	2,553.03	47.85	1.91%
Next 6000 m3	17,101	3,921.88	3,996.78	74.91	1.91%
GT 7000m3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	26,933.00	3,030.23	3,030.23	0.00	0.00%
Upstream Recovery Charge	26,933.00	786.44	786.44	0.00	0.00%
Transportation & Storage Charge	26,933.00	1,519.37	1,519.37	0.00	0.00%
Federal Carbon Charge	26,933.00	2,108.85	2,108.85	0.00	0.00%
<b>Total Delivery</b>		15,145.76	15,292.62	146.86	0.97%

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	26,933.00	244.82	244.82	0.00	0.00%
ECVA Rate Rider	26,933.00	0.00	37.79	37.79	#DIV/0!
CIACVA Rate Rider	26,933.00	0.00	51.71	51.71	#DIV/0!
EFVA Rate Rider	26,933.00	0.00	48.18	48.18	#DIV/0!
<b>Total Rate Riders</b>		244.82	382.50	137.68	56.24%

Total Bill Impact	Metric	Current Rate	Proposed Rate	Change \$	Change %
		15,390.58	15,675.13	284.54	1.85%

Rate 6 - Medium Commercial		Units	Current Rate	Proposed Rate
Customer		\$/month	105.15	107.16
Bill 32 Rate		\$/month	1.00	1.00
First 1000 m3		¢/m3	25.4811	25.9678
Next 6000 m3		¢/m3	22.9330	23.3710
GT 7000m3		¢/m3	21.7862	22.2023
Contracted Demand	¢ / contracted m3		0.0000	0.0000
Gas Supply		¢/m3	11.2510	11.2510
Upstream Recovery Charge		¢/m3	2.9200	2.9200
Transportation & Storage Charge		¢/m3	5.6413	5.6413
Federal Carbon Charge		¢/m3	7.8300	7.8300

<b>Rate Riders</b>				
Delay in Revenue Recovery Rate Rider		¢/m3	0.9090	0.9090
ECVA Rate Rider			0.0000	0.1403
CIACVA Rate Rider			0.0000	0.1920
EFVA Rate Rider			0.0000	0.1789

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	1,261.80	1,285.90	24.10	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
First 1000 m3	11,715	2,985.19	3,042.21	57.02	1.91%
Next 6000 m3	40,793	9,354.99	9,533.67	178.68	1.91%
GT 7000m3	23,177	5,049.38	5,145.82	96.44	1.91%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	75,685.00	8,515.32	8,515.32	0.00	0.00%
Upstream Recovery Charge	75,685.00	2,210.00	2,210.00	0.00	0.00%
Transportation & Storage Charge	75,685.00	4,269.62	4,269.62	0.00	0.00%
Federal Carbon Charge	75,685.00	5,926.14	5,926.14	0.00	0.00%
<b>Total Delivery</b>		39,584.44	39,940.68	356.24	0.90%

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	75,685.00	687.98	687.98	0.00	0.00%
ECVA Rate Rider	75,685.00	0.00	106.19	106.19	#DIV/0!
CIACVA Rate Rider	75,685.00	0.00	145.32	145.32	#DIV/0!
EFVA Rate Rider	75,685.00	0.00	135.40	135.40	#DIV/0!
<b>Total Rate Riders</b>		687.98	1,074.89	386.91	56.24%

Total Bill Impact	Metric	Current Rate	Proposed Rate	Change \$	Change %
		40,272.42	41,015.57	743.15	1.85%

Name of LDC: EPCOR Natural Gas Limited Partnership  
 OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

**Rate 11 Delivery Bill Impact**

G1.3 Rate 11 Bill Impact

Rate 11 - Large Seasonal Service Sample Dryer 1		Units	Current Rate	Proposed Rate
Customer	\$/month		210.29	214.31
Bill 32 Rate	\$/month		1.00	1.00
All Volumes	¢/m3		15.8280	16.1303
Tier 2	¢/m3		15.8280	16.1303
Tier 3	¢/m3		15.8280	16.1303
Contracted Demand	¢ / contracted m3			
Gas Supply	¢/m3		11.2510	11.2510
Upstream Recovery Charge	¢/m3		0.0352	0.0352
Transportation & Storage Charge	¢/m3		1.8166	1.8166
Federal Carbon Charge	¢/m3		7.8300	7.8300

Rate Riders		Units	Current Rate	Proposed Rate
Delay in Revenue Recovery Rate Rider	¢/m3		0.5524	0.5524
ECVA Rate Rider	¢/m3		-	0.1403
CACVA Rate Rider	¢/m3		-	0.1013
EFVA Rate Rider	¢/m3		-	0.0944

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	2,523.48	2,571.68	48.20	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
All Volumes	101,499	16,065.34	16,372.19	306.85	1.91%
Tier 2	-	0.00	0.00	0.00	#DIV/0!
Tier 3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	101,499.49	11,419.71	11,419.71	0.00	0.00%
Upstream Recovery Charge	101,499.49	35.73	35.73	0.00	0.00%
Transportation & Storage Charge	101,499.49	1,843.84	1,843.84	0.00	0.00%
Federal Carbon Charge	101,499.49	7,947.41	7,947.41	0.00	0.00%
<b>Total Delivery</b>		<b>39,847.50</b>	<b>40,202.55</b>	<b>355.05</b>	<b>0.89%</b>

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	101,499.49	560.68	560.68	0.00	0.00%
ECVA Rate Rider	101,499.49	0.00	142.40	142.40	#DIV/0!
CACVA Rate Rider	101,499.49	0.00	102.82	102.82	#DIV/0!
EFVA Rate Rider	101,499.49	0.00	95.81	95.81	#DIV/0!
<b>Total Rate Riders</b>		<b>560.68</b>	<b>901.71</b>	<b>341.03</b>	<b>60.82%</b>

Total Bill Impact		Current Rate	Proposed Rate	Change \$	Change %
		40,408.19	41,104.26	696.08	1.72%

Rate 11 - Large Seasonal Service Sample Dryer 2		Units	Current Rate	Proposed Rate
Customer	\$/month		210.29	214.31
Bill 32 Rate	\$/month		1.00	1.00
All Volumes	¢/m3		15.8280	16.1303
Tier 2	¢/m3		15.8280	16.1303
Tier 3	¢/m3		15.8280	16.1303
Contracted Demand	¢ / contracted m3		0.0000	0.0000
Gas Supply	¢/m3		11.2510	11.2510
Upstream Recovery Charge	¢/m3		0.0352	0.0352
Transportation & Storage Charge	¢/m3		1.8166	1.8166
Federal Carbon Charge	¢/m3		3.9100	3.9100

Rate Riders		Units	Current Rate	Proposed Rate
Delay in Revenue Recovery Rate Rider	¢/m3		0.5524	0.5524
ECVA Rate Rider	¢/m3		0.0000	0.1403
CACVA Rate Rider	¢/m3		0.0000	0.1013
EFVA Rate Rider	¢/m3		0.0000	0.0944

Delivery	Metric	Current Rate	Proposed Rate	Change \$	Change %
Customer	12	2,523.48	2,571.68	48.20	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
All Volumes	338,332	53,551.13	54,573.96	1,022.83	1.91%
Tier 2	-	0.00	0.00	0.00	#DIV/0!
Tier 3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	338,331.62	38,065.69	38,065.69	0.00	0.00%
Upstream Recovery Charge	338,331.62	119.09	119.09	0.00	0.00%
Transportation & Storage Charge	338,331.62	6,146.13	6,146.13	0.00	0.00%
Federal Carbon Charge	338,331.62	13,228.77	13,228.77	0.00	0.00%
<b>Total Delivery</b>		<b>113,646.29</b>	<b>114,717.32</b>	<b>1,071.03</b>	<b>0.94%</b>

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	338,331.62	1,868.94	1,868.94	0.00	0.00%
ECVA Rate Rider	338,331.62	0.00	474.68	474.68	#DIV/0!
CACVA Rate Rider	338,331.62	0.00	342.74	342.74	#DIV/0!
EFVA Rate Rider	338,331.62	0.00	319.35	319.35	#DIV/0!
<b>Total Rate Riders</b>		<b>1,868.94</b>	<b>3,005.71</b>	<b>1,136.77</b>	<b>60.82%</b>

Total Bill Impact		Current Rate	Proposed Rate	Change \$	Change %
		115,515.23	117,723.03	2,207.79	1.91%

**Name of LDC: EPCOR Natural Gas Limited Partnership**  
**OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application**

**Rate 16 Delivery Bill Impact**

G1.4 Rate 16 Bill Impact

Rate 16 - Contracted Demand	Units	Current Rate	Proposed Rate
Customer	\$/month	1,546.25	1,575.78
Bill 32 Rate	\$/month	1.00	1.00
Tier 1	¢/m3	0.0000	0.0000
Tier 2	¢/m3	0.0000	0.0000
Tier 3	¢/m3	0.0000	0.0000
Contracted Demand	¢ / contracted m3	105.4686	107.4831
Gas Supply	¢/m3	0.0000	0.0000
Upstream Recovery Charge	¢ / contracted m3	14.2434	14.2434
Transportation Charge From Dawn	¢ / contracted m3	18.2999	18.2999
Transportation Charge From Kirkwall	¢ / contracted m3	11.8480	11.8480
Transportation Charge From Parkway	¢ / contracted m3	11.8480	11.8480
Federal Carbon Charge	¢/m3	7.8300	7.8300

**Rate Riders**

Delay in Revenue Recovery Rate Rider	¢ / contracted m3	0.0601	0.0601
ECVA Rate Rider	¢ / contracted m3	0.0000	0.0000
CIACVA Rate Rider	¢ / contracted m3	0.0000	0.8547
EFVA Rate Rider	¢ / contracted m3	0.0000	0.7964

**Delivery**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Customer	12	18,555.00	18,909.40	354.40	1.91%
Bill 32 Rate	12	12.00	12.00	0.00	0.00%
Tier 1	-	0.00	0.00	0.00	#DIV/0!
Tier 2	-	0.00	0.00	0.00	#DIV/0!
Tier 3	-	0.00	0.00	0.00	#DIV/0!
Contracted Demand	50,000	632,811.60	644,898.30	12,086.70	1.91%
Gas Supply	0.00	0.00	0.00	0.00	#DIV/0!
Upstream Recovery Charge	50,000.00	85,460.40	85,460.40	0.00	0.00%
Transportation Charge From Dawn	50,000.00	109,799.40	109,799.40	0.00	0.00%
Transportation Charge From Kirkwall	0.00	0.00	0.00	0.00	#DIV/0!
Transportation Charge From Parkway	0.00	0.00	0.00	0.00	#DIV/0!
Federal Carbon Charge	50,000.00	46,980.00	46,980.00	0.00	0.00%
<b>Total Delivery</b>		893,618.40	906,059.50	12,441.10	1.39%

**Rate Riders**

Metric	Current Rate	Proposed Rate	Change \$	Change %	
Delay in Revenue Recovery Rate Rider	12.00	360.60	360.60	0.00	0.00%
ECVA Rate Rider	12.00	0.00	0.00	0.00	#DIV/0!
CIACVA Rate Rider	12.00	0.00	5,128.20	5,128.20	#DIV/0!
EFVA Rate Rider	12.00	0.00	4,778.40	4,778.40	#DIV/0!
<b>Total Rate Riders</b>		360.60 #	10,267.20 #	9,906.60	2747.25%

**Total Bill Impact**

	893,979.00	916,326.70	22,347.70	2.50%
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Name of LDC: EPCOR Natural Gas Limited Partnership

OEB Application Number: EB-2021-0216 Exhibit A - 2022 Custom Incentive Application

## Summary of Bill Impacts

### G1.7 Summary of Bill Impacts

Rate Class		Fixed Change	Volumetric Change	Rate Riders	Total Change	Total Change %
		(\$/year)	(\$/year)	(\$/year)	(\$/year)	
Rate 1	Existing Residential	5.91	11.22	8.23	25.36	1.76%
Rate 1	New Residential	5.91	10.79	7.91	24.61	1.76%
Rate 1	Small Commercial	5.91	24.24	17.98	48.13	1.74%
Rate 1	Small Agricultural	5.91	24.38	18.08	48.37	1.74%
Rate 6	Medium Commercial	24.10	122.76	137.68	284.54	1.85%
Rate 6	Large Commercial	24.10	332.14	386.91	743.15	1.85%
Rate 11	Sample Dryer 1	48.20	306.85	341.03	696.08	1.72%
Rate 11	Sample Dryer 2	48.20	1,022.83	1,136.77	2,207.79	1.91%
Rate 16	Contracted Demand	354.40	12,086.70	9,906.60	22,347.70	2.50%

## **Appendix B - Proposed Draft Rate Schedules**

**EB-2021-0216**

***Effective: January 1, 2022***

**RATE 1 - General Firm Service**

**Applicability**

Any customer in EPCOR’s South Bruce Natural Gas System who is an end user and whose total gas requirements are equal to or less than 10,000 m<sup>3</sup> per year.

**Rate**

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

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

<b>Monthly Fixed Charge</b> <sup>(1)</sup>	\$27.27	
<b>Delivery Charge</b>		
First 100 m <sup>3</sup> per month	28.1486	¢ per m <sup>3</sup>
Next 400 m <sup>3</sup> per month	27.5941	¢ per m <sup>3</sup>
Over 500 m <sup>3</sup> per month	26.7790	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge	1.474	¢ per m <sup>3</sup>
Transportation and Storage charge	2.6982	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	1.633	¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028		
<b>ECVA Rate Rider</b>	0.1403	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>CIACVA Rate Rider</b>	0.1257	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>EFVA Rate Rider</b>	0.1171	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>Federal Carbon Charge (if applicable)</b>	7.83	¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	12.9861	¢ per m <sup>3</sup>

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

**Direct Purchase Delivery**

Where a customer elects under this Rate Schedule to directly purchase its gas from a supplier other than EPCOR, the supplier must qualify as a “gas marketer” under the *Ontario Energy Board Act, 1998*, and must enter into a T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR at a receipt point listed on the upstream transportation contract that EPCOR has with the Upstream Service Provider (“**Ontario Delivery Point**”). T-Service Receipt Contract rates are described in Rate Schedule T1. Transportation and Storage charges may vary depending on the Ontario Delivery Point. Gas Supply Charges in this Rate Schedule are not applicable for Rate T1 customers.

**Terms and Conditions of Service**

The provisions in the “EPCOR Natural Gas Limited Partnership South Bruce Natural Gas Operations Conditions of Service” apply, as contemplated therein, to service under this Rate Schedule.

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0216

**RATE 6 – Large Volume General Firm Service**

**Applicability**

Any customer in EPCOR’s South Bruce Natural Gas System who is an end user and whose total gas requirements are greater than 10,000 m<sup>3</sup> per year.

**Rate**

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

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

<b>Monthly Fixed Charge</b> <sup>(1)</sup>	\$108.16	
<b>Delivery Charge</b>		
First 1000 m <sup>3</sup> per month	25.9678	¢ per m <sup>3</sup>
Next 6000 m <sup>3</sup> per month	23.3710	¢ per m <sup>3</sup>
Over 7000 m <sup>3</sup> per month	22.2023	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge	2.9200	¢ per m <sup>3</sup>
Transportation and Storage charge	5.6413	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	1.633	¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028		
<b>ECVA Rate Rider</b>	0.1403	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>CIACVA Rate Rider</b>	0.1920	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>EFVA Rate Rider</b>	0.1789	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>Federal Carbon Charge (if applicable)</b>	7.83	¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	12.9861	¢ per m <sup>3</sup>

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

**Direct Purchase Delivery**

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

**Terms and Conditions of Service**

The provisions in the “EPCOR Natural Gas Limited Partnership South Bruce Natural Gas Operations Conditions of Service” apply, as contemplated therein, to service under this Rate Schedule.

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0216

**RATE 11 - Large Volume Seasonal Service**

**Applicability**

Any customer in EPCOR's South Bruce Natural Gas System who is an end user and whose gas requirements are only during the period of May 1 through Dec 15 inclusive and are greater than 10,000 m<sup>3</sup>.

**Rate**

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

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

<b>Monthly Fixed Charge</b> <sup>(1)</sup>	\$215.31
<b>Delivery Charge</b>	
All volumes delivered	16.1303 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge	0.0352 ¢ per m <sup>3</sup>
Transportation and Storage charge	1.8166 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.5524 ¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028	
<b>ECVA Rate Rider</b>	0.1403 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>CIACVA Rate Rider</b>	0.1013 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>EFVA Rate Rider</b>	0.0944 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>Federal Carbon Charge (if applicable)</b>	7.83 ¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	12.9861 ¢ per m <sup>3</sup>

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

**Unaccounted for Gas (UFG):**

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

**Forecasted Unaccounted for Gas Percentage** 0.00 %

**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** 16.8083 ¢ per m<sup>3</sup>

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** 402.5107 ¢ per m<sup>3</sup>

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

**Nominations:**

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

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

The nomination calculation shall equal:

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

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

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

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

**Load Balancing:**

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

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



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

### **Direct Purchase Delivery**

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

### **Terms and Conditions of Service**

1. In any year, during the period of May 1 through December 15 inclusive, the customers shall receive continuous ("**Firm**") service from EPCOR, except where impacted by events as specified in EPCOR Natural Gas Limited Partnership South Bruce Natural Gas Operations Conditions of Service including force majeure. During the period of December 16 through April 30 inclusive, any authorized overrun service shall be interruptible at the sole discretion of EPCOR. All service during the period December 16 through April 30 inclusive shall be subject to EPCOR's prior authorization under the daily nomination procedures outlined in this Rate Schedule and shall constitute Overrun Gas.
2. To the extent that EPCOR's Upstream Service Provider provides any seasonal or day-to-day balancing rights for EPCOR, the customer shall be entitled to a reasonable proportion of such balancing rights as determined by EPCOR from time to time. If the customer utilizes any of EPCOR's seasonal or day-to-day balancing services or any other services available from the Upstream Service Provider, the customer agrees to comply with all balancing requirements imposed by the Upstream Service Provider. The customer also agrees to be liable for its share of any such usage limitations or restrictions, fees, costs or penalties associated with the usage of such services, including but not limited to any associated storage fees, daily or cumulative balancing fees or penalties, and gas commodity costs as determined by EPCOR, acting reasonably.
3. EPCOR receives upstream services under the Union Gas Limited M17 Rate Schedule. Details of this upstream arrangement and associated nomination standards and Load Balancing Arrangement are available at [www.uniongas.com](http://www.uniongas.com).
4. The provisions in the "EPCOR Natural Gas Limited Partnership South Bruce Natural Gas Operations Conditions of Service" apply, as contemplated therein, to service under this Rate Schedule.

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0216

**RATE 16 – Contracted Firm Service**

**Applicability**

Any customer connected directly to EPCOR’s South Bruce Natural Gas High Pressure Steel System and who enters into a contract with EPCOR for firm contract daily demand of at least 2,739m<sup>3</sup>.

**Rate**

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

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

<b>Monthly Fixed Charge</b> <sup>(1)</sup>	\$1,576.78	
Delivery Charge		
Per m <sup>3</sup> of Contract Demand	107.4831	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge per m <sup>3</sup> of Contract Demand	14.2434	¢ per m <sup>3</sup>
Transportation charge per m <sup>3</sup> of Contract Demand		
Transportation from Dawn	18.2999	¢ per m <sup>3</sup>
Transportation from Kirkwall	11.8480	¢ per m <sup>3</sup>
Transportation from Parkway	11.8480	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.0601	¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028		
<b>ECVA Rate Rider</b>	0.1403	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>CIACVA Rate Rider</b>	0.8547	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>EFVA Rate Rider</b>	0.0944	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>Federal Carbon Charge (if applicable)</b>	7.83	¢ per m <sup>3</sup>

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

**Unaccounted for Gas:**

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

**Forecasted Unaccounted for Gas Percentage** 0.00 %

**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** 5.2526 ¢ per m<sup>3</sup>

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** 402.6142 ¢ per m<sup>3</sup>

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

**Nominations:**

Union Gas Limited will be the “Upstream Service Provider” to facilitate delivery and balancing of gas supplies to the EPCOR South 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](http://www.uniongas.com).
2. The provisions in the "EPCOR Natural Gas Limited Partnership General Terms and Conditions for Rate 16 Customers" apply, as contemplated therein, to service under this Rate Schedule.

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0216

## **RATE T1 – Direct Purchase Contract Rate**

### **Availability**

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

### **Eligibility**

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

### **Rate**

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

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

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

### **Unaccounted for Gas:**

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

<b>Forecasted Unaccounted for Gas Percentage</b>	0.00 %
--	--------

### **Gas Supply:**

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

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

The Gas Supply calculation shall equal:

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

### **Terms and Conditions of Service**

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

Effective: January 1, 2022

Implementation: All bills rendered on or after January 1, 2022

EB-2021-0216

**EPCOR NATURAL GAS LIMITED PARTNERSHIP**

**Schedule of Miscellaneous and Service Charges**

<b>A</b>		<b>B</b>
<b>Service</b>		<b>Fee</b>
1	Service Work	
2	During normal working hours	
3	Minimum charge (up to 60 minutes)	\$100.00
4	Each additional hour (or part thereof)	\$100.00
5	Outside normal working hours	
6	Minimum charge (up to 60 minutes)	\$130.00
7	Each additional hour (or part thereof)	\$105.00
8		
9	Miscellaneous Charges	
10	Returned Cheque / Payment	\$20.00
11	Replies to a request for account information	\$25.00
12	Bill Reprint / Statement Print Requests	\$20.00
13	Consumption Summary Requests	\$20.00
14	Customer Transfer / Connection Charge	\$35.00
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		
23	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
24		

Note: Applicable taxes will be added to the above charges

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

## **Appendix C - Proposed Customer Notice**

## **IMPORTANT INFORMATION ABOUT YOUR NATURAL GAS BILL**

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

On **XXX**, 2021, the OEB approved EPCOR's gas distribution rates effective January 1, 2022. For a typical residential customer who consumes about 2,100 cubic meters of gas annually, the rate change will increase the bill by \$2.11 per month. Commercial, industrial and seasonal rate customers will also be impacted by the change. Please refer to [epcor.com](http://epcor.com) or visit [OEB.ca](http://OEB.ca) for information on the current approved rates.

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

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

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



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

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

## **Appendix D - Auditor's Report**



Tel: 519-432-5534  
Fax: 519-432-6544  
www.bdo.ca

BDO Canada LLP  
633 Colborne St., Suite 230  
London ON N6B 2V3

**ACCOUNTANT'S REPORT ON APPLYING SPECIFIED AUDITING PROCEDURES IN RESPECT OF THE SPECIFIC DEFERRAL ACCOUNT BALANCES**

To: EPCOR Natural Gas Limited Partnership

As specifically agreed, we have performed the auditing procedures described in appendix A over the deferral account activity of the Southern Bruce operations for the CIACVA, EFVA and ECVA, to assist EPCOR Natural Gas Limited Partnership (the "Company") to comply with the requirements of the Ontario Energy Board (OEB) for the period from January 1, 2020 to December 31, 2020.

This engagement to apply agreed-upon auditing procedures was performed in accordance with Canadian Standards on Related Services 9100, Reports on the Results of Applying Specified Auditing Procedures. We make no representation regarding the sufficiency of the procedures described in Appendix A either for the purpose for which this report has been requested or for any other purpose.

The procedures in Appendix A do not constitute an audit of the deferral account schedule and, therefore, we express no opinion on the information in the schedule for the period from January 1, 2020 to December 31, 2020. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This letter is for use in assessing the Company's deferral account activity of the CIACVA, EFVA and ECVA from January 1, 2020 to December 31, 2020, and is not intended to be and should not be used for any other purpose.

Chartered Professional Accountants, Licensed Public Accountants  
London, Ontario  
September 23, 2021

## APPENDIX A

1. We obtained the schedule of deferral activity for CIACVA, EFVA, and ECVA from January 1, 2020 to December 31, 2020 and recalculated the schedule to ensure their mathematical accuracy.
2. For CIACVA, we obtained the back-up calculations spreadsheet for both the CIAC revenue requirement based on the amount paid and based on the filing for the 2020 opening and ending balances. In the calculations spreadsheet, we vouched the capital expenditures during 2020 to the supporting invoices from Enbridge. For the 2020 opening balances, we vouched the capital expenditures in 2019 to the agreement with Enbridge dated June 13, 2019.
3. For the EFVA, we agreed the actual funding received each quarter to the corresponding bank statements for amount deposited at the end of each relevant month. We agreed the funding received per filing to the change in timing of grant funding table from the rate application (EB-2018-0264).
4. For the ECVA, we agreed the Actual Energy Content to the unit of measure conversion information effective April 1, 2020 for South and the Benchmark Energy Content to Ontario Energy Board's Exhibit 9 Contents. We also agreed the delivery charges for 2020 to the financial model supporting the EB 2018-0264 application (EPCOR 2019 Financial Model Protected\_20190412) and the sum of total delivery charges to the cumulative 10 year data from the rate application (EB 2018-0264).







## **Appendix E - Draft ADVADA Accounting Order**



## **EPCOR NATURAL GAS LIMITED PARTNERSHIP**

### **Accounting Order**

#### **Approved Deferral/Variance Disposal Variance Account**

The Approved Deferral/Variance Disposal Variance Account (“ADVADA”) is to record all deferral and variance account balances which have been approved for disposition/recovery. EPCOR Natural Gas Limited Partnership (“ENGLP”) will account for this balance in the same manner as Account 1595 (Disposition and Recovery/Refund of Regulatory Balances Control Account) as per the Uniform Chart of Accounts for Electricity Distributors by recording a debit/credit in an appropriate sub-account (principal balances, carrying charges or carrying charges for net principal). Deferral and variance account balances which have been approved for disposition by the Board, will be transferred into the ADVADA and appropriate sub-account (categorized based on the year of disposition). Amounts recovered from or refunded to ratepayers through the associated approved rate rider(s) will be recorded against the balance in the ADVADA.

Once the approved period for recovery/refund has ended, balances resulting from over or under collection/refund, together with any carrying charges, will be brought forward for disposition at a future proceeding.

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

#### Accounting Entries<sup>9</sup>

To transfer the balance of deferral and variance accounts upon receipt of approval for disposition:

Debit/Credit Account No. 179.90 Approved Deferral/Variance Disposal Variance Account  
 (“ADVADA”)  
Credit/Debit Account No. 179.XX Deferral/variance account

To transfer the balance of deferral and variance interest accounts upon receipt of approval for disposition:

---

<sup>9</sup> Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the *Ontario Energy Board Act*.

Debit/Credit Account No. 179.91 Approved Deferral/Variance Disposal Variance Account Interest  
Sub-Account

Credit/Debit Account No. 179.XX Deferral/variance account interest

To record amounts recovered from /refunded to ratepayers through the approved rate rider(s) over the period  
for which the rate rider(s) are in effect:

Debit/Credit Account Account No. 300 Operating Revenue

Credit/Debit Account No. 179.90 Approved Deferral/Variance Disposal Variance Account  
("ADVADA")

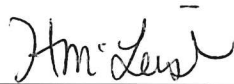
Credit/Debit Account No. 179.91 Approved Deferral/Variance Disposal Variance Account Interest  
Sub-Account

To record simple interest on the opening monthly balance of the ADVADA:

Debit/Credit Account No. 179.92 Interest on Net Principal of Approved Deferral/Variance Disposal  
Variance Account

Credit/Debit Account No. 323 Other Interest Expense

THIS IS EXHIBIT 'C' referred to in  
the Affidavit of Tim Hesselink sworn  
before me this 4<sup>th</sup> day of November,  
2021.

A handwritten signature in cursive script, appearing to read "Tim Hesselink", positioned above a horizontal line.

---

A Commissioner, etc.

# **EXHIBIT C**

## Hesselink, Tim

---

**From:** Hesselink, Tim  
**Sent:** Friday, October 15, 2021 9:52 AM  
**To:** 'larry@anwaatin.com'; 'Don.Richardson@sharedvaluesolutions.com';  
'Lisa@demarcoallan.com'; 'jonathan@demarcoallan.com';  
'ian.mondrow@gowlingwlg.com'; 'srahbar@igua.ca'; 'wmcnally@opsba.org';  
'mark@shepherdrubenstein.com'; 'jay@shepherdrubenstein.com';  
'schambers@kincardine.net'; 'clerk@arran-elderslie.ca'; 'mrwalden@huronkinloss.com';  
'jlawford@piac.ca'; 'markgarner@rogers.com'; 'registrar@oeb.ca'; 'Patrick McMahon';  
'EGIRegulatoryProceedings@enbridge.com'; 'dvanwyck@brucecounty.on.ca';  
'edance@kincardine.net'; 'clerk@kincardine.net'; 'cao@brucecounty.on.ca'  
**Cc:** 'Arturo Lau'; Robinson, Susannah; O'Callaghan, Daniela  
**Subject:** Notice of Application - EB-2021-0216 - ENGLP South Bruce - rates effective January 1, 2022.  
**Attachments:** NoA\_ENGLP\_SB 2022 IRM\_20211012.pdf; ENGLP\_CvrLtr\_2022 IRM\_South Bruce\_20210927.pdf; ENGLP\_APPL\_2022 IRM\_South Bruce\_20210927.pdf; ENGLP\_APPL\_2022 IRM\_South Bruce\_Excel\_20210927.xlsm

Hello all,

**Re: EPCOR Natural Gas Limited Partnership (ENGLP) Application for 2022 Rates  
Ontario Energy Board File Number: EB-2021-0216**

Please find attached the notice of application for EPCOR Natural Gas Limited Partnership's application for rates effective January 1, 2022 (South Bruce). The application and supporting excel schedules have also been included.

Information related to this proceeding will also be posted on the OEB's website under the filing reference number.

Regards,  
Tim



PROVIDING MORE

**Tim Hesselink, CPA, CGA**

Senior Manager, Regulatory Affairs  
EPCOR Ontario  
43 Stewart Road, Collingwood, ON  
T: 705.445.1800 ext. 2274  
[epcor.com](http://epcor.com)

THIS IS EXHIBIT 'D' referred to in  
the Affidavit of Tim Hesselink sworn  
before me this 4<sup>th</sup> day of November,  
2021.



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A Commissioner, etc.

# **EXHIBIT D**

<https://www.epcor.com/about/news-announcements/notices/Pages/oeb-notice-of-hearing-for-2022-ng-rates-south-bruce.aspx>



EPCOR / About EPCOR / News & Announcements / Customer Notices / OEB Notice of Hearing for 2022

EPCOR has applied to the Ontario Energy Board to raise its natural gas rates, effective January 1, 2022. If the application is approved as filed, the amount EPCOR charges a typical residential customer and a typical commercial customer in its South Bruce service area would increase by the following yearly amounts:

- Existing Residential: \$25.06 per year
- New Residential: \$24.61 per year
- Small Commercial: \$49.13 per year

The requested rate increase is set using an OEB-approved formula which is tied to inflation. The rate increase also includes EPCOR's request to dispose of the balances in certain deferral and variance accounts.

Other customers may also be affected. It is important to review the application carefully to determine whether you may be affected by these changes.

Read our customer notice

[READ NOW](#)

## The Ontario Energy Board will hold a public hearing

The Ontario Energy Board (OEB) will hold a public hearing to consider the application filed by EPCOR. During the hearing, which could be an oral or written hearing, the OEB will question EPCOR on the request for a rate increase. The OEB will also hear positions and arguments from individuals that have registered to participate (called intervenors) in the hearing. At the end of this hearing, the OEB will decide what, if any, rate increase will be allowed.

The OEB is an independent and impartial public agency. It makes decisions that serve the public interest. Its goal is to promote a financially viable and efficient energy sector that provides customers with reliable energy services at a reasonable cost.

### Be informed and have your say

You have the right to information regarding this application and to be involved in the process.

- You can review [EPCOR's application](#)
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an intervenor. As an intervenor you can ask questions about EPCOR's application and make arguments on whether the OEB should approve the request. **Apply to be an intervenor by November 2, 2021**, or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, review the OEB's decision and its reasons on its website.

### Learn more

Our file number for this case is **EB-2021-0216**. To learn more about this hearing, and instructions on how to file a letter with your comments or become an intervenor, or to access any documents related to this case, please enter the file number **EB-2021-0216** on the OEB website. You can also phone our Consumer Relations Centre at **1 (877) 632-2727** with any questions.

#### Oral vs. Written hearings

There are two types of OEB hearings: oral and written. EPCOR has asked for a written hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **November 2, 2021**.

#### Privacy

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.