



EPCOR Natural Gas Limited Partnership
South Bruce

2022 Incentive Rate Adjustment Application

EB-2021-0216

Rates Effective: January 1, 2022

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Index

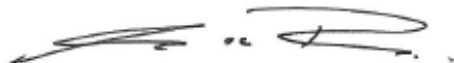
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CERTIFICATION OF EVIDENCE

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 November 12, 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 12th day of November, 2021



Susannah Robinson

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:

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Dated at Collingwood, Ontario this 15th day of November, 2021.

EPCOR NATURAL GAS LIMITED PARTNERSHIP



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
		\$/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
		\$/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-2018-0264¹, 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%).

¹ 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 order²: 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 Dec 31, 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Balance Dec 31, 2021
		0.57%	0.57%	0.57%	0.57%	
Principal	\$ 14,107					\$ 14,107
Carrying Charges	\$ 12	\$ 20	\$ 20	\$ 20	\$ 20	\$ 92
Total	\$ 14,119	\$ 20	\$ 20	\$ 20	\$ 20	\$ 14,199

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.

² EB-2018-0264 Rate Order, January 9, 2020, page 30 of 34

Table 5 - Calculation of Proposed ECVA Rate Rider

		A Unit	B Row Sum	C Rate 1 - General Firm Service	D Rate 6 - Large Volume General Firm Service	E 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	Rate Rider / month	¢/m3		0.1403	0.1403	0.1403

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 order³: 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.

³ 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)
Total	\$ 60,991	\$ 88	\$ 88	\$ 88	\$ 88	\$ 61,341

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		6,709,090	1,816,595	1,595,894	contract demand	89,716
2	Allocation ⁽¹⁾	%	100%	61%	21%	3%	%	15%
3	Sum	\$	\$61,341	\$37,418	\$12,882	\$1,840	\$	\$9,201
4	Rate Rider	¢/m3		0.5577	0.7091	0.1153	¢/CD/month	0.8547

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 order⁴: 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
Total	\$ 56,839	\$ 80	\$ 80	\$ 80	\$ 80	\$ 57,160

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 CIP⁵. 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 m³ volumes and rate 16 is based on contract demand (CD).

⁴ EB-2018-0264 Rate Order, January 9, 2020, page 34 of 34

⁵ 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		6,709,090	1,816,595	1,595,894	CD	89,716
2	Allocation ⁽¹⁾	%	100%	61%	21%	3%	%	15%
3	Sum	\$	\$57,160	\$34,866	\$12,003	\$1,715	\$	\$8,574
4	Rate Rider	¢/m3		0.5197	0.6608	0.1075	¢/CD/month	0.7964

(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 Application⁶. 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*⁷.
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*⁸.
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.

⁶ EB-2018-0264 Exhibit 9, Tab 2, Schedule 1 page 5 of 9

⁷ EB-2018-0264 EPCOR IRR to 9.Staff.36

⁸ 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 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 10 – 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	26.17	43.30	3.00%
Rate 1	New Residential	5.91	10.79	25.16	41.85	2.99%
Rate 1	Small Commercial	5.91	24.24	57.15	87.29	3.16%
Rate 1	Small Agricultural	5.91	24.38	57.48	87.76	3.17%
Rate 6	Medium Commercial	24.10	122.76	406.74	553.60	3.60%
Rate 6	Large Commercial	24.10	332.14	1,142.99	1,499.24	3.72%
Rate 11	Sample Dryer 1	48.20	306.85	368.54	723.59	1.79%
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%

¹ 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	Gas Supply	Upstream Recovery Charge (A)	Transportation & Storage Charge ¢ / m3	Transportation Charge	Transportation Charge	Transportation Charge	Federal Carbon Charge ¢ / m3
		Monthly Base \$/month	Bill 32 Rate \$ / month	Tier 1 ¢ / m3	Tier 2 ¢ / m3	Tier 3 ¢ / m3	Contract Demand ¢ /contracted m3				From Dawn ¢ /contracted m3	From Kirkwall ¢ /contracted m3	From Parkway ¢ /contracted 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	Gas Supply
		Monthly Base	Tier 1	Tier 2	Tier 3	Contract Demand	
Rate 1	General Firm Service	3,703	3,438,479	3,192,323	78,289		6,709,090
Rate 6	Large Volume General Firm Service	56	465,406	1,108,352	242,837		1,816,595
Rate 11	Large Volume Seasonal Service	6			1,595,894		1,595,894
Rate 16	Contracted Firm Service	2				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	1,145,560	44,436	949,742	864,382	20,572	0	754,840	98,892	181,025	525,322	4,584,771
Rate 6	Large Volume General Firm Service	70,661	672	118,591	254,178	52,905	0	204,385	53,045	102,480	142,239	999,155
Rate 11	Large Volume Seasonal Service	15,141	72	0	0	252,598	0	179,554	562	28,991	124,959	601,876
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		1,268,472	45,204	1,068,333	1,118,560	326,075	1,135,467	1,138,779	305,842	509,511	876,817	7,793,059

(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%

Months / Year

12

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	25.78	1.91%	26.27	3,703	1,167,440
Bill 32 Rate	\$/month	1.00	0.00%	1.00	3,703	44,436
Tier 1	cents / m3	27.6210	1.91%	28.1486	3,438,479	967,882
Tier 2	cents / m3	27.0769	1.91%	27.5941	3,192,323	880,892
Tier 3	cents / m3	26.2771	1.91%	26.7790	78,289	20,965
Contract Demand	cents / m3	0.0000	1.91%	0.0000	0	0
Gas Supply	cents / m3	11.2510	0.00%	11.2510	6,709,090	754,840
Upstream Recovery Charge	cents / m3	1.4740	0.00%	1.4740	6,709,090	98,892
Transportation & Storage Charge	cents / m3	2.6982	0.00%	2.6982	6,709,090	181,025
Federal Carbon Charge	cents / m3	7.8300	0.00%	7.8300	6,709,090	525,322
						4,641,694

Name of LDC: EPCOR Natural Gas Limited Partnership

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

Rate 6 Incentive Rate Adjustment

D1.2 Rate 6 Adjustment

Rate 6

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.91%

Months / Year

12

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	105.15	1.91%	107.16	56	72,010
Bill 32 Rate	\$/month	1.00	0.00%	1.00	56	672
Tier 1	cents / m3	25.4811	1.91%	25.9678	465,406	120,856
Tier 2	cents / m3	22.9330	1.91%	23.3710	1,108,352	259,033
Tier 3	cents / m3	21.7862	1.91%	22.2023	242,837	53,915
Contract Demand	cents / m3	0.0000	1.91%	0.0000	0	0
Gas Supply	cents / m3	11.2510	0.00%	11.2510	1,816,595	204,385
Upstream Recovery Charge	cents / m3	2.9200	0.00%	2.9200	1,816,595	53,045
Transportation & Storage Charge	cents / m3	5.6413	0.00%	5.6413	1,816,595	102,480
Federal Carbon Charge	cents / m3	7.8300	0.00%	7.8300	1,816,595	142,239
						1,008,635

Name of LDC: EPCOR Natural Gas Limited Partnership

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

Rate 11 Incentive Rate Adjustment

D1.3 Rate 11 Adjustment

Rate 11

GDP-IPI

Less Productivity

Less Stretch Factor

Incentive Rate Adjustment

1.91%

Months / Year

12

	Unit	Current Rate	Price Cap	Adjusted Rates	Billing Determinants	Revenue
Monthly Base	\$/month	210.29	1.91%	214.31	6	15,430
Bill 32 Rate	\$/month	1.00	0.00%	1.00	6	72
Tier 1	cents / m3	15.8280	1.91%	16.1303	0	0
Tier 2	cents / m3	15.8280	1.91%	16.1303	0	0
Tier 3	cents / m3	15.8280	1.91%	16.1303	1,595,894	257,423
Contract Demand	cents / m3	0.0000	1.91%	0.0000	0	0
Gas Supply	cents / m3	11.2510	0.00%	11.2510	1,595,894	179,554
Upstream Recovery Charge	cents / m3	0.0352	0.00%	0.0352	1,595,894	562
Transportation & Storage Charge	cents / m3	1.8166	0.00%	1.8166	1,595,894	28,991
Federal Carbon Charge	cents / m3	7.8300	0.00%	7.8300	1,595,894	124,959
						606,990

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%

Months / Year

12

	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
						1,629,652

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	3,703	3,438,479	3,192,323	78,289	0	6,709,090
Rate 6	Large Volume General Firm Service	56	465,406	1,108,352	242,837	0	1,816,595
Rate 11	Large Volume Seasonal Service	6	0	0	1,595,894	0	1,595,894
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	1,167,440	44,436	967,882	880,892	20,965	0	754,840	98,892	181,025	525,322	4,641,694
Rate 6	Large Volume General Firm Service	72,010	672	120,856	259,033	53,915	0	204,385	53,045	102,480	142,239	1,008,635
Rate 11	Large Volume Seasonal Service	15,430	72	0	0	257,423	0	179,554	562	28,991	124,959	606,990
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	7,886,971
Current Revenue	7,793,059
Change	93,913
% Change	1.21%

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	0.5577	Cents/m3
Rate 6 Large Volume General Firm Service	0.7091	Cents/m3
Rate 11 Large Volume Seasonal Service	0.1153	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	0.5197	Cents/m3
Rate 6 Large Volume General Firm Service	0.6608	Cents/m3
Rate 11 Large Volume Seasonal Service	0.1075	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					
Delay in Revenue Recovery Rate Rider	¢/m3	1.6330	1.6330		
ECVA Rate Rider	¢/m3	-	0.1403		
CIACVA Rate Rider	¢/m3	-	0.5577		
EFVA Rate Rider	¢/m3	-	0.5197		
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%
Total Delivery		1,408.40	1,425.53	17.13	1.22%
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	11.98	11.98	#DIV/0!
EFVA Rate Rider	2,149.00	0.00	11.17	11.17	#DIV/0!
Total Rate Riders		35.09	61.26	26.17	74.57%
Total Bill Impact		1,443.50	1,486.79	43.30	3.0%
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					
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	0.5577		
EFVA Rate Rider	¢/m3	0.0000	0.5197		
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%
Total Delivery		1,366.58	1,383.28	16.70	1.22%
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	11.52	11.52	#DIV/0!
EFVA Rate Rider	2,066.00	0.00	10.74	10.74	#DIV/0!
Total Rate Riders		33.74	58.90	25.16	74.57%
Total Bill Impact		1,400.32	1,442.18	41.85	3.0%
Rate 1 - Small Commercial					
	Units	Current Rate	Proposed Rate		

Name of LDC: EPCOR Natural Gas Limited Partnership
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Rate 1 Delivery Bill Impact

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	0.5577
EFVA Rate Rider	¢/m6	0.0000	0.5197

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	1,199	330.95	337.27	6.32	1.91%
Next 400 m3	2,475	670.15	682.95	12.80	1.91%
GT 500m3	1,020	267.98	273.10	5.12	1.91%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Gas Supply	4,693.00	528.01	528.01	0.00	0.00%
Upstream Recovery Charge	4,693.00	69.17	69.17	0.00	0.00%
Transportation & Storage Charge	4,693.00	126.63	126.63	0.00	0.00%
Federal Carbon Charge	4,693.00	367.46	367.46	0.00	0.00%
Total Delivery		2,681.71	2,711.86	30.15	1.12%

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	4,693.00	76.64	76.64	0.00	0.00%
ECVA Rate Rider	4,693.00	0.00	6.58	6.58	#DIV/0!
CIACVA Rate Rider	4,693.00	0.00	26.17	26.17	#DIV/0!
EFVA Rate Rider	4,693.00	0.00	24.39	24.39	#DIV/0!
Total Rate Riders		76.64	133.78	57.15	74.57%

Total Bill Impact		2,758.35	2,845.65	87.29	3.2%
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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	0.5577
EFVA Rate Rider	¢/m6	0.0000	0.5197

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	1,199	331.10	337.43	6.32	1.91%
Next 400 m3	2,484	672.61	685.45	12.85	1.91%
GT 500m3	1,037	272.55	277.75	5.21	1.91%
Contracted Demand	-	0.00	0.00	0.00	#DIV/0!
Commodity	4,720.00	531.05	531.05	0.00	0.00%
Upstream Recovery Charge	4,720.00	69.57	69.57	0.00	0.00%
Transportation & Storage Charge	4,720.00	127.36	127.36	0.00	0.00%
Federal Carbon Charge	4,720.00	369.58	369.58	0.00	0.00%
Total Delivery		2,695.17	2,725.45	30.29	1.12%

Rate Riders	Metric	Current Rate	Proposed Rate	Change \$	Change %
Delay in Revenue Recovery Rate Rider	4,720.00	77.08	77.08	0.00	0.00%
ECVA Rate Rider	4,720.00	0.00	6.62	6.62	#DIV/0!
CIACVA Rate Rider	4,720.00	0.00	26.32	26.32	#DIV/0!
EFVA Rate Rider	4,720.00	0.00	24.53	24.53	#DIV/0!
Total Rate Riders		77.08	134.55	57.48	74.57%

Total Bill Impact		2,772.25	2,860.01	87.76	3.2%
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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

Rate Riders

Delay in Revenue Recovery Rate Rider	¢/m3	0.9090	0.9090
ECVA Rate Rider		-	0.1403
CIACVA Rate Rider		-	0.7091
EFVA Rate Rider		-	0.6608

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	#DIV/0!
Contracted Demand	-	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%
Total Delivery		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	190.98	190.98 #DIV/0!
EFVA Rate Rider	26,933.00	0.00	177.97	177.97 #DIV/0!
Total Rate Riders		244.82	651.56	406.74 166.14%

Total Bill Impact

	15,390.58	15,944.18	553.60	3.60%
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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

Rate Riders

Delay in Revenue Recovery Rate Rider	¢/m3	0.9090	0.9090
ECVA Rate Rider		0.0000	0.1403
CIACVA Rate Rider		0.0000	0.7091
EFVA Rate Rider		0.0000	0.6608

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	#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%
Total Delivery		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	536.68	536.68 #DIV/0!
EFVA Rate Rider	75,685.00	0.00	500.13	500.13 #DIV/0!
Total Rate Riders		687.98	1,830.97	1,142.99 166.14%

Total Bill Impact

	40,272.42	41,771.65	1,499.24	3.72%
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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 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						
Delay in Revenue Recovery Rate Rider	¢/m3		0.5524	0.5524		
ECVA Rate Rider	¢/m3		-	0.1403		
CIACVA Rate Rider	¢/m3		-	0.1153		
EFVA Rate Rider	¢/m3		-	0.1075		
Delivery						
Customer	Metric	Current Rate	Proposed Rate	Change \$	Change %	
Bill 32 Rate	12	2,523.48	2,571.68	48.20	1.91%	
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%	
Total Delivery		39,847.50	40,202.55	355.05	0.89%	
Rate Riders						
Delay in Revenue Recovery Rate Rider	Metric	Current Rate	Proposed Rate	Change \$	Change %	
ECVA Rate Rider	101,499.49	560.68	560.68	0.00	0.00%	
CIACVA Rate Rider	101,499.49	0.00	142.40	142.40	#DIV/0!	
EFVA Rate Rider	101,499.49	0.00	117.03	117.03	#DIV/0!	
Total Rate Riders	101,499.49	0.00	109.11	109.11	#DIV/0!	
		560.68	929.23	368.54	65.73%	
Total Bill Impact		40,408.19	41,131.78	723.59	1.79%	
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						
Delay in Revenue Recovery Rate Rider	¢/m3		0.5524	0.5524		
ECVA Rate Rider	¢/m3		0.0000	0.1403		
CIACVA Rate Rider	¢/m3		0.0000	0.1153		
EFVA Rate Rider	¢/m3		0.0000	0.1075		
Delivery						
Customer	Metric	Current Rate	Proposed Rate	Change \$	Change %	
Bill 32 Rate	12	2,523.48	2,571.68	48.20	1.91%	
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%	
Total Delivery		113,646.29	114,717.32	1,071.03	0.94%	
Rate Riders						
Delay in Revenue Recovery Rate Rider	Metric	Current Rate	Proposed Rate	Change \$	Change %	
ECVA Rate Rider	338,331.62	1,868.94	1,868.94	0.00	0.00%	
CIACVA Rate Rider	338,331.62	0.00	474.68	474.68	#DIV/0!	
EFVA Rate Rider	338,331.62	0.00	390.10	390.10	#DIV/0!	
Total Rate Riders	338,331.62	0.00	363.71	363.71	#DIV/0!	
		1,868.94	3,097.43	1,228.48	65.73%	
Total Bill Impact		115,515.23	117,814.74	2,299.51	1.99%	

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%
Total Delivery		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!
Total Rate Riders		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	26.17	43.30	3.00%
Rate 1	New Residential	5.91	10.79	25.16	41.85	2.99%
Rate 1	Small Commercial	5.91	24.24	57.15	87.29	3.16%
Rate 1	Small Agricultural	5.91	24.38	57.48	87.76	3.17%
Rate 6	Medium Commercial	24.10	122.76	406.74	553.60	3.60%
Rate 6	Large Commercial	24.10	332.14	1,142.99	1,499.24	3.72%
Rate 11	Sample Dryer 1	48.20	306.85	368.54	723.59	1.79%
Rate 11	Sample Dryer 2	48.20	1,022.83	1,228.48	2,299.51	1.99%
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 m³ per year.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$27.27	
Delivery Charge		
First 100 m ³ per month	28.1486	¢ per m ³
Next 400 m ³ per month	27.5941	¢ per m ³
Over 500 m ³ per month	26.7790	¢ per m ³
Upstream Charges		
Upstream Recovery charge	1.474	¢ per m ³
Transportation and Storage charge	2.6982	¢ per m ³
Rate Rider for Delay in Revenue Recovery	1.633	¢ per m ³
- effective for 10 years ending December 31, 2028		
ECVA Rate Rider	0.1403	¢ per m ³
- effective for 12 months ending December 31, 2022		
CIACVA Rate Rider	0.5577	¢ per m ³
- effective for 12 months ending December 31, 2022		
EFVA Rate Rider	0.5197	¢ per m ³
- effective for 12 months ending December 31, 2022		
Federal Carbon Charge (if applicable)	7.83	¢ per m ³
Gas Supply Charge	12.9861	¢ per m ³

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

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 m³ per year.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$108.16	
Delivery Charge		
First 1000 m ³ per month	25.9678	¢ per m ³
Next 6000 m ³ per month	23.3710	¢ per m ³
Over 7000 m ³ per month	22.2023	¢ per m ³
Upstream Charges		
Upstream Recovery charge	2.9200	¢ per m ³
Transportation and Storage charge	5.6413	¢ per m ³
Rate Rider for Delay in Revenue Recovery	1.633	¢ per m ³
- effective for 10 years ending December 31, 2028		
ECVA Rate Rider	0.1403	¢ per m ³
- effective for 12 months ending December 31, 2022		
CIACVA Rate Rider	0.7091	¢ per m ³
- effective for 12 months ending December 31, 2022		
EFVA Rate Rider	0.6608	¢ per m ³
- effective for 12 months ending December 31, 2022		
Federal Carbon Charge (if applicable)	7.83	¢ per m ³
Gas Supply Charge	12.9861	¢ per m ³

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

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 m³.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$215.31
Delivery Charge	
All volumes delivered	16.1303 ¢ per m ³
Upstream Charges	
Upstream Recovery charge	0.0352 ¢ per m ³
Transportation and Storage charge	1.8166 ¢ per m ³
Rate Rider for Delay in Revenue Recovery	0.5524 ¢ per m ³
- effective for 10 years ending December 31, 2028	
ECVA Rate Rider	0.1403 ¢ per m ³
- effective for 12 months ending December 31, 2022	
CIACVA Rate Rider	0.1153 ¢ per m ³
- effective for 12 months ending December 31, 2022	
EFVA Rate Rider	0.1075 ¢ per m ³
- effective for 12 months ending December 31, 2022	
Federal Carbon Charge (if applicable)	7.83 ¢ per m ³
Gas Supply Charge	12.9861 ¢ per m ³

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

Unaccounted for Gas (UFG):

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

Forecasted Unaccounted for Gas Percentage	0.00 %
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Overrun Charges:

Any volume of gas taken during the period of December 16 through April 30 inclusive shall constitute “Overrun Gas” and must be authorized in advance by EPCOR. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges. EPCOR will not unreasonably withhold authorization.

Authorized Overrun Charge

16.8083 ¢ per m³

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 m³

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

Nominations:

Union Gas Limited will be the “Upstream Service Provider” to facilitate delivery and balancing of gas supplies to the EPCOR 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.
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 2,739m³.

Rate

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

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

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

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

Unaccounted for Gas:

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

Forecasted Unaccounted for Gas Percentage

0.00 %

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 m³

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 m³

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

Nominations:

Union Gas Limited will be the “Upstream Service Provider” to facilitate delivery and balancing of gas supplies to the EPCOR 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.
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:

Forecasted Unaccounted for Gas Percentage	0.00 %
--	--------

Gas Supply:

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

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

The Gas Supply calculation shall equal:

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

Terms and Conditions of Service

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

Effective: January 1, 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

	A Service	B Fee
1	Service Work	
2	During normal working hours	
3	Minimum charge (up to 60 minutes)	\$100.00
4	Each additional hour (or part thereof)	\$100.00
5	Outside normal working hours	
6	Minimum charge (up to 60 minutes)	\$130.00
7	Each additional hour (or part thereof)	\$105.00
8		
9	Miscellaneous Charges	
10	Returned Cheque / Payment	\$20.00
11	Replies to a request for account information	\$25.00
12	Bill Reprint / Statement Print Requests	\$20.00
13	Consumption Summary Requests	\$20.00
14	Customer Transfer / Connection Charge	\$35.00
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
21		(effective rate of 0.04896%
22		compounded daily)
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

³ 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 \$3.60 per month. Commercial, industrial and seasonal rate customers will also be impacted by the change. Please refer to epcor.com or visit 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.

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).

EPCOR Natural Gas Limited Partnership
Southern Bruce Deferral
Contribution In Aid of Construction variance account

	2019 January	2019 February	2019 March	2019 April	2019 May	2019 June	2019 July	2019 August	2019 September	2019 October	2019 November	2019 December
CIAC revenue requirement based on amount paid	-	-	-	-	-	-	-	-	-	-	-	161,381
CIAC revenue requirement per filing	-	-	-	-	-	-	-	-	-	-	-	204,805
Difference	-	-	-	-	-	-	-	-	-	-	-	(43,424)
Cumulative	-	-	-	-	-	-	-	-	-	-	-	(43,424)
Opening Interest												
Interest calculation on disposal balance	-	-	-	-	-	-	-	-	-	-	-	-
Closing Interest	-	-	-	-	-	-	-	-	-	-	-	-
OEB Prescribed Interest Rate	2.45%	2.45%	2.45%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%

	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June	2020 July	2020 August	2020 September	2020 October	2020 November	2020 December
CIAC revenue requirement based on amount paid												511,168
CIAC revenue requirement per filing	-	-	-	-	-	-	-	-	-	-	-	406,235
Difference	-	-	-	-	-	-	-	-	-	-	-	104,933
Cumulative	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	(43,424)	61,509
Opening Interest	-	-	(79)	(158)	(237)	(316)	(394)	(415)	(436)	(456)	(477)	(498)
Interest calculation on disposal balance	-	(79)	(79)	(79)	(79)	(79)	(21)	(21)	(21)	(21)	(21)	(21)
Closing Interest	-	(79)	(158)	(237)	(316)	(394)	(415)	(436)	(456)	(477)	(498)	(518)
OEB Prescribed Interest Rate	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%

Annual CIP Rev R1, 6, 11 (A)	374,194
Actual Energy Content (B)	38.98
Benchmark Energy Content (C)	38.89

[illegible]

Difference [E * ((F - G)/F)]	-	-	-	-	-	-	-	-	-	-	-	13,243
Cumulative	864	864	864	864	864	864	864	864	864	864	864	14,107
Opening Interest	-	2	3	5	6	8	9	10	10	11	11	11
Interest calculation on disposal balance	2	2	2	2	2	2	0	0	0	0	0	0
Closing Interest	2	3	5	6	8	9	10	10	11	11	11	12
OEB Prescribed Interest Rate	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%

EPCOR Natural Gas Limited Partnership
Southern Bruce Deferral
External Funding variance account (000s)

	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June	2020 July	2020 August	2020 September	2020 October	2020 November	2020 December
Funding Received per filing		15,642			1,590			1,590			1,590			1,590
Cumulative funding received - A		15,642	15,642	15,642	17,232	17,232	17,232	18,821	18,821	18,821	20,411	20,411	20,411	22,000
Funding Received actual	(5,161)			(6,472)			(5,909)			(2,924)			(1,534)	
Cumulative funding received - B	(5,161)	(5,161)	(5,161)	(11,633)	(11,633)	(11,633)	(17,542)	(17,542)	(17,542)	(20,466)	(20,466)	(20,466)	(22,000)	(22,000)
Difference (C = A-B)	(5,161)	10,481	10,481	4,009	5,599	5,599	(311)	1,279	1,279	(1,645)	(56)	(56)	(1,590)	-
Carrying charge (D = C * E /12)	(9.38)	19.04	19.04	7.28	10.17	10.17	(0.56)	2.32	0.61	(0.78)	(0.03)	(0.03)	(0.76)	-
Discount Rate (WACC ^ 1/12)	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892	1.004892
Period	0	1	2	3	4	5	6	7	8	9	10	11	12	13
NPV (D)	(9.376)	18.948	18.856	7.177	9.974	9.925	(0.548)	2.245	0.584	(0.748)	(0.025)	(0.025)	(0.712)	-
Cumulative	(9.376)	9.572	28.428	35.605	45.579	55.504	54.956	57.202	57.786	57.038	57.013	56.988	56.276	56.276
Opening Interest	-	-	(0.017)	0.000	0.052	0.117	0.199	0.300	0.400	0.427	0.455	0.482	0.509	0.536
Interest calculation on disposal balance	-	(0.017)	0.017	0.052	0.065	0.083	0.101	0.100	0.027	0.027	0.027	0.027	0.027	0.027
Closing Interest	-	(0.017)	0.000	0.052	0.117	0.199	0.300	0.400	0.427	0.455	0.482	0.509	0.536	0.563
OEB Prescribed Interest Rate (E)	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%

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 Entries⁹

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:

⁹ 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