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December 9, 2021

**Sent by EMAIL, RESS e-filing**

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

Dear Ms. Long:

**Re: EB-2021-0309: Quarterly Rate Adjustment Mechanism ("QRAM") Application  
EPCOR Natural Gas LP ("ENGLP") South Bruce for rates effective January 1, 2022**

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Please find enclosed ENGLP South Bruce's QRAM Application to the Ontario Energy Board for orders effective January 1, 2022.

This application is submitted in accordance with the Board's EB-2008-0106 Decision, modified as indicated below to accommodate the proposed rate mitigation plan.

**Rate Mitigation Plan**

In accordance with the Board's decision in EB-2014-0199 and its expectations that regulated utilities will consider rate mitigation for material rate increases. On December 1, 2021, Enbridge received a letter from the Minister of Energy to "review and consider fully all mitigation opportunities available, considering rising inflation and broader affordability issues for energy consumers in its development of the mitigation plan for the upcoming QRAM." To align with Enbridge's proposed rate mitigation measure to limit the overall bill impacts to 5% via PGCVA credits for the upcoming QRAM effective January 1, 2022, ENGLP is proposing the following rate mitigation plan for this application:

- a) In order to mitigate the gas price increase in all rate zones, ENGLP is proposing to include a \$380,000 PGCVA credits in the current application to mitigate a total bill increase that would otherwise exceed 5%. The variance between forecast costs

included with the application and actual costs will be recorded in the respective deferral and variance accounts for disposition as part of a future QRAM application.

Based on this proposal, ENGLP has prepared this application with the PGCVA credit amounts included in the PGCVA account balances.

The application and impacts below reflect a forecast of gas costs effective January 1, 2021 based on the rate mitigation plan.

Relevant to ENGLP South Bruce, the proposed Purchased Gas Variance Account Reference Price ("PGCVA Reference Price") is \$155,718/10<sup>3</sup>m<sup>3</sup> (\$3.9603/GJ @ 39.32 MJ/m<sup>3</sup>), representing an increase of \$15.151/10<sup>3</sup>m<sup>3</sup> (\$0.3853/GJ @ 39.32 MJ/m<sup>3</sup>). The result of the change noted above is an increase to the total bill for a typical residential customer on system gas of approximately \$75.12 or 5.0%.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'T. Hesselink', with a stylized flourish at the end.

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

Encl.

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by EPCOR Natural Gas Limited Partnership (“ENGLP”) pursuant to Section 36(1) of the Act, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2022.

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

**APPLICATION**

1. As part of the EB-2021-0236 Decision and Rate Order dated September 23, 2021 (the “Rate Order”), the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”), a Gas Purchase Rebalancing Account (“GPRA”) and a gas supply charge of \$0.140567 cents per m<sup>3</sup>, effective October 1, 2021, for ENGLP’s Southern Bruce operations.

2. In accordance with the Board’s decision in EB-2014-0199 and its expectations that regulated utilities will consider rate mitigation for material rate increases, ENGLP is proposing the following rate mitigation plan for this application:

(a) ENGLP is proposing to include a \$380,000 PGCVA credit in this application to mitigate a total bill increase that would otherwise exceed 5%. The variance between forecast costs included with the application and actual costs will be recorded in the respective deferral and variance accounts for disposition as part of a future QRAM application.

The limit of a 5% total bill increase is to align with rate mitigation efforts proposed by Enbridge Gas and in consideration of the letter from the Minister of Energy dated December 1, 2021 to “consider fully all mitigation opportunities available, considering rising inflation and broader affordability issues for energy consumers in its development of the mitigation plan for the upcoming QRAM”

3. Pursuant to Section 36(1) of the Act, and the QRAM approved by the Board, ENGLP hereby applies to the Board for further orders effective January 1, 2021, as follows:

a) an Order setting the reference price of \$0.155718 per m<sup>3</sup>, for amounts to be recorded in the PGCVA;

b) an Order changing the rates and other charges from those authorized the Board's Decision and Rate Order dated September 23, 2021 in proceeding EB-2021-0236, to reflect a projected \$0.014960 per m3 increase in the gas supply charge from the Board approved level of \$0.134787 per m3 to a projected cost of \$0.149747 per m3. This change is the sum of the change in the PGCVA reference price, and the change required to prospectively clear the balance of the GPRA; and

(c) such further Order or Orders as ENGLP may request and the Board may deem appropriate or necessary.

### **Regulatory Framework**

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

5. Pursuant to the criteria established in the Board's EB-2008-0106 Decision, below is the Board's direction with respect to the timeline for processing the application

- Any responsive comments from interested parties are filed with the Board, and served on ENGLP and other interest parties, on or before 4:45 p.m. five calendar days following the filing of the QRAM application.
- Any reply comments from ENGLP are filed with the Board, and served on all interested parties, on or before 4:45 p.m. three calendar days following receipt of comments.

6. ENGLP respectfully requests the Board issue its Decision and Order by December 30, 2021 for implementation effective January 1, 2022.

7. The following procedures are prescribed for cost claims relating to QRAM applications, as directed by the Board:

- Parties that meet the eligibility criteria contained in the Board's Practice Direction on Cost Awards may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.
- Any party eligible for an award of costs must file a claim with the Board and ENGLP no later than ten days from the date of the Board's decision and order. Should ENGLP have any comments concerning any of the claims, these concerns shall be forwarded to the Board and to the claimant within seven days of receiving the claims. Any response to ENGLP's comments must be filed with the Board and ENGLP within seven days of receiving the comments.

**Address for Service**

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

Kenneth Poon  
Manager, Energy Supply & Procurement  
EPCOR Ontario Utilities Inc.,  
Suite 710, 55 University Avenue  
Toronto, Ontario M5J 2H7

Tel: 647-730-0018  
Email: [KPoone@epcor.com](mailto:KPoone@epcor.com)

Tim Hesselink  
Senior Manager, Regulatory Commercial Services  
EPCOR Natural Gas Limited Partnership  
43 Stewart Road  
Collingwood, ON L9Y 4M7

Tel: 705-445-1800 ext. 2247  
Email: [THesselink@epcor.com](mailto:THesselink@epcor.com)

DATED the 9<sup>th</sup> day of December, 2021.

**EPCOR Natural Gas Limited Partnership**



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Tim Hesselink  
Senior Manager, Regulatory Commercial Services

## **SCHEDULE 1- Management Summary**

### **EPCOR NATURAL GAS LIMITED PARTNERSHIP - INTRODUCTION**

As part of the EB-2018-0264 (Rate Order dated January 9, 2020) the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) effective January 1, 2020 for EPCOR Natural Gas Limited Partnership Southern Bruce (“ENGLP”). In EB-2021-0236 (Decision and Rate Order dated September 23, 2021), the Board approved an increase by \$0.028828 per m3 from the previous OEB approved level of \$0.111739 per m3 to \$0.140567 per m3 effective October 1, 2021.

In EB-2018-0264 (Rate Order dated January 9, 2020), the Board approved a Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in ENGLP’s cost of gas supply. In EB-2021-0236 (Decision and Rate Order dated September 23, 2021), the Board approved the GPRA to be cleared, resulting in an increase in the gas supply charge of \$0.112510 per m3 to \$0.134787 per m3 effective October 1, 2021.

ENGLP is proposing to set the gas supply charge, the GPRA rate and the PGCVA reference price effective January 1, 2022 to reflect an updated forecast of gas costs, the projected balance in the PGCVA and the projected balance in the GPRA.

## **RATE MITIGATION**

Prior to rate mitigation, ENGLP identified the bill impacts for a typical residential system gas customer in South Bruce would exceed 25% of the commodity portion of the bill, and 10% of the total bill, based on approved QRAM methodologies. The bill impacts were prepared using a forecast of gas costs effective December, 2021 based on a 21-day strip ending December 1, 2021 (the “QRAM forecast”) and resulted in commodity increases of approximately 36.0%. With increases in delivery rates and additional rate riders proposed for January 1, 2022, a total bill increase of 9.9% was forecasted for South Bruce customers.

As per the EB-2014-0199 (Review of the Quarterly Rate Adjustment Mechanism) (“QRAM Review”) Decision, the OEB requires distributors, one month in advance of the normal QRAM filing date, to complete a preliminary estimate of the change in the commodity portion of a typical residential system supply customer’s bill that arises from the forecasted reference price (based on the most current 21-day strip available at the time) for the next quarter and the forecasted PGCVA balances to be cleared.

If a distributor anticipates an increase or decrease of 25% or more on the commodity portion of a typical residential system supply customer’s bill (which includes all commodity related rate riders), the distributor must file a letter with the Board describing the anticipated increase or decrease and the cost drivers underpinning the anticipated change.

The OEB also requires that if a 25% or greater change on the commodity portion of a typical residential system supply customer’s bill (which includes all commodity related rate riders) is still anticipated with the QRAM application, the distributor must also include evidence which explains, in detail, the reasons for the large rate increase (or decrease). Where the change is an increase, the distributor must include a plan for mitigation of the increase.

November 2021 Preliminary QRAM Estimate

In November 2021, ENGLP prepared a preliminary QRAM estimate of the January 1, 2022 QRAM bill impact using a forecast of gas costs effective December 1, 2021 based on a 21-day strip ending November 5, 2021. At that time, the increase for South Bruce customers in the commodity portion of a customer's bill was more than 25%, and the increase in total bill was close to 10%.

QRAM Forecast

In early December 2021, ENGLP prepared the January 1, 2022 QRAM bill impacts using the December 1 forecast and the available information at the time ("QRAM forecast"). The bill impacts of the QRAM forecast are provided in Table 1.

**Table 1 - Results of QRAM Forecast (Before Rate Mitigation Plan)**

	<u>Change</u>	<u>Total</u>	<u>%</u>
	(a)	(b)	(c)
Commodity Bill	104.20	393.86	36.0%
Total Bill	147.17	1,639.01	9.9%

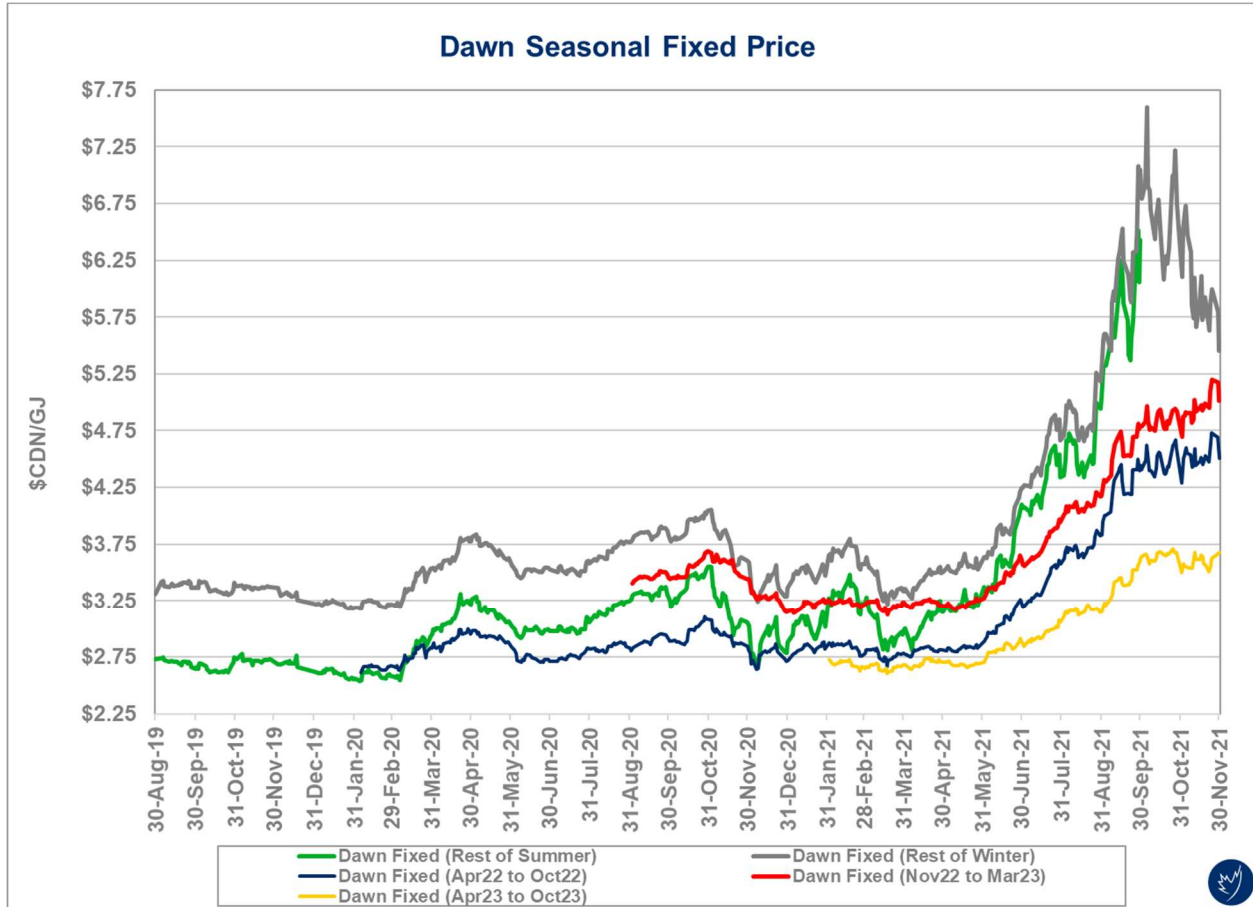
The increase in the total bill can be attributed to the QRAM commodity price increases, inflationary increase in delivery rates and additional deferral and variance account related rate riders approved for January 1, 2022 (EB-2021-0216).

Forward natural gas prices have continued to increase since the October 2021 QRAM application. The combination of low storage levels, flat production, and increased demand in natural gas exports has led to a steep increase in natural gas prices in most basins in North America since the beginning of summer 2021. This is combined with increased prices due to concerns for supply availability. While prices over the rest of winter (January to March 2022) appear to have come down from recent peaks, they are expected to continue to remain elevated for the upcoming summer (April to October 2022) and potentially beyond. Please see Figure 1 below, which shows



the Dawn Seasonal Strip Settlement Prices used in deriving South Bruce's rates from August 30, 2019 to November 30, 2021.

**Figure 1 - Dawn Seasonal Strip Settlement Prices**



### Rate Mitigation Plan

ENGLP has included a rate mitigation proposal as part of this application which is in alignment with the plan proposed by Enbridge Gas for the upcoming quarter (EB-2021-0281), ENGLP is proposing to limit the impact to a 5% total bill increase.

ENGLP is proposing to include a \$380,000 PGCVA credit and has prepared this application with the credit amounts included in the PGCVA account balances.

1 This approach allows ENGLP to use the forecast for gas costs in the derivation of the commodity  
2 rate and further the rate to reflect market prices in customers' rates and is consistent with the OEB's  
3 findings in the QRAM Review:

4  
5 *"the QRAM is intended to strike a balance between ensuring that consumers are receiving*  
6 *appropriate price signals which reflect the actual natural gas market price, and protecting*  
7 *the interests of system supply customers by reducing, to some extent, volatility in the price*  
8 *of natural gas."*<sup>1</sup>  
9

10 The rate mitigation plan reflects the natural gas market price but also provides for a gradual  
11 increase in customer's bills over the following QRAM periods. The PGCVA credit amount  
12 provides a smoothing of bill increases for customers over a longer period of time and reduces  
13 potential balances that would otherwise accumulate in deferral and variance accounts for future  
14 disposition without any price increase at January 1, 2022. ENGLP will propose to include a  
15 PGCVA debit of an equal amount with the April 1, 2022 QRAM to recover the cost of the PGCVA  
16 credit not recovered with the current QRAM application.  
17

18 This rate mitigation approach is consistent with the October 1, 2021 QRAM filed by Enbridge Gas  
19 (EB-2021-0219), which was approved by the Board on September 23, 2021. Prior to the filing of  
20 this application, ENGLP consulted with Enbridge Gas to ensure the approach taken by ENGLP in  
21 this application is aligned.  
22

23 The rate mitigation impact comparing commodity bill and total bill impacts of the application with  
24 the QRAM forecast is provided in Table 2 below.  
25

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<sup>1</sup> EB-2014-0199 Review of the Quarterly Rate Adjustment Mechanism, Decision and Order, August 14, 2014, p. 4.

1                      **Table 2 - Results of Mitigation Plan - Commodity Bill Impacts**

	Commodity Bill		Total Bill	
	\$	%	\$	%
	(a)	(b)	(c)	(d)
QRAM Forecast (Before Impact of Rate Mitigation Plan)	104.20	36.0%	147.17	9.9%
As Filed (After Impact of Rate Mitigation Plan)	32.16	11.1%	75.13	5.0%
Impact of Rate Mitigation Plan	(72.04)	(24.9%)	(72.04)	(4.9%)

- 2
- 3     The variance between forecast costs included with the application and actual costs will be recorded
- 4     in the respective deferral and variance accounts for disposition with a future QRAM application.

## **PURCHASED GAS COMMODITY VARIANCE ACCOUNT**

### **Updated Forecasts**

The current forecast is based on natural gas prices over the relevant period. These gas prices reflect current contracts and market conditions, including alternative energy prices, demand for natural gas, the weather outlook and the impact of current storage levels. The forecasted demand profile of the franchise area for this application matches the most recent annual update to the Southern Bruce Gas Supply Plan EB-2021-0146, filed April 30, 2021 ("Gas Supply Plan Update"), and is based on the observed rate of customer additions and connections over the last number of months.

The PGCVA balance has been calculated using the most recent information available, including actual volumes and costs through November 2021. The remaining months in the thirteen-month period ending December 2022 are calculated using estimated prices and volumes based on the best information available at the time of filing.

### **Gas Supply Portfolio**

The gas supply portfolio reflects the current and forecasted mix of delivery points utilized by ENGLP for system gas purchases. The composition of the gas supply portfolio volumes from January 2021 to December 2021 can be referenced on Schedule 3. This schedule shows the monthly volume of gas purchased, or forecast to be purchased from various delivery points and different pricing structures (including fixed, index, spot). Similarly, the composition of the gas supply portfolio volumes from January 2022 to December 2022 is shown on the top of Schedule 6.

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

- 1       • A percentage of average forecasted consumption for the period from December 1 to March  
2       31 of the following year will be purchased as a fixed price gas landed at Dawn.
- 3       • A percentage of average forecasted consumption for the period from April 1 to September  
4       30 (starting April, 2022) will be purchased at an AECO index plus fixed basis.  
5
- 6       • For forecasted demand not met by baseload purchase or firm storage withdrawal rights,  
7       month to month Dawn index purchases will be made to meet expected demand.  
8
- 9       • Day-to-day spot purchases and sales at Dawn will be made if storage injection or  
10       withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted  
11       demand and to minimize risk of triggering fees from the M17 Limited Balancing  
12       Agreement (“LBA”).  
13

14   The forecast values used in this QRAM matches the 2021 Gas Supply Plan Update. Actual  
15   consumption from January 2021 to November 2021 has been reported for system gas customers  
16   during this period, with consumption from December 2021 onwards consisting of forecasted  
17   system gas consumption based on the consumption forecast in the 2021 Gas Supply Plan Update.

#### 18   Gas Costs 19

20

21   ENGLP’s actual and forecast gas costs from January 2021 to December 2021 are shown in  
22   Schedule 4 in \$/GJ by source of supply. These prices are also shown in the middle section of  
23   Schedule 3 in \$/m<sup>3</sup>. The bottom section of Schedule 3 shows the composition of the total system  
24   gas costs. The conversion factor used is based on the heat values used by Enbridge in their  
25   administration of the M17 service contracted by ENGLP to transport natural gas from Dawn to the  
26   Southern Bruce franchise through the Dornoch Interconnect. These conversion factors are shown  
27   in Schedule 4. All prices and costs shown are actual prices paid from January 2021 to November  
28   2021. Prices for the remaining months in this period are based on estimates to be paid in those  
29   months. The costs shown for the remaining months are based on both the estimated prices to be  
30   paid and the estimated volumes to be purchased.

Forecast gas prices for each of the sources of supply from December 2021 to December 2022 are described below.

Actual Cost

*Dawn Fixed Price Transactions:*

In September 2021, ENGLP transacted an additional two Dawn Fixed Priced deals in September 2021 for delivery of 160 GJ per day in October 2021 and November 2021. In October, ENGLP transacted another 2 fixed priced transactions: the first transaction for delivery of 149 GJ per day of gas between December 1, 2021 to March 31, 2022, and the second transaction was for delivery of 150 GJ per day in November. These transactions were made to meet expected system gas demand in excess of existing purchases and planned storage withdrawals. Fixed priced deals were transacted instead of index price deals per advice of ECNG to protect ENGLP's gas portfolio against a rising market.

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

*Dawn Spot Price Purchase Transactions:* ENGLP entered into two Dawn Spot Price Purchase Transactions as of December, 2021. The first spot transaction was for 1,495 GJs delivered in October, and the second transaction was for 2,118 GJs delivered in November. Both transactions were made to keep the M17 Limited Balancing Agreement (LBA) within tolerance, during days when the grain dryer customer was consuming high volume of gas for their drying operations. Grain dryer consumption is based on business activities and the timing of the activities difficult to forecast. As such, spot transactions are needed to ensure deliverability and availability of gas.

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

1 *AECO Index Price Transactions*: ENGLP has not entered into any AECO Index Price Transactions  
2 as of November, 2021.

3  
4 Forecast Pricing  
5

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

- 8
- 9 • A percentage of average forecasted consumption for the period between December 1 and  
10 March 31 of the following year will be purchased as a fixed price gas landed at Dawn.  
11
  - 12 • A percentage of average forecasted consumption for the period between April 1 and  
13 September 30, starting April 1, 2021, will be purchased at an AECO index plus fixed basis.  
14
  - 15 • For forecasted demand not met by baseload purchase or firm storage withdrawal rights,  
16 month to month Dawn index purchases will be made to meet expected demand.  
17
  - 18 • Day-to-day spot purchases and sales at Dawn will be made if storage injection or  
19 withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted  
20 demand and to minimize risk of triggering fees from the M17 LBA.  
21

22 The price forecast for this gas reflects the 21 trading day average of the two hubs relevant 21 to  
23 the Gas Supply Plan – Dawn and AECO. Forecast prices for all 12 forward months are taken as  
24 the arithmetic average of Daily Closing Forward Price for 21 days of each forward month. Noon  
25 day average foreign exchange rate of each trading day is used to convert Dawn settlement prices  
26 in USD to CAD. Dawn settlement prices were also converted from mmBtu to GJ. These monthly  
27 prices are applied to the forecast volume of gas purchases in the Gas Supply Plan. Forecasted price  
28 for the fixed priced Dawn purchase for December 2021 to March 2022 is calculated as the 21  
29 trading day average for those future delivery periods at Dawn. Forecasted price for the AECO  
30 index purchase from April 2022 to September 2022 is calculated as the 21 trading day average for

those future delivery periods at AECO, plus a fixed basis calculated as the average of the monthly spread between the average Dawn and AECO prices for those months.

#### Other Forecast Assumptions

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

#### PGCVA Balance

The projected December, 2021 balance in the PGCVA, after applying the PGCVA credit, is a credit of \$321,787.24, including a credit of \$568.87 in accumulated interest, based on the Board's prescribed interest rate. This estimate is based on actual and forecasted purchases starting January, 2021. The PGCVA credit amounts' impact for a typical residential customer is \$369.34 in Customer Rebate.

#### Proposed PGCVA Rate Changes

ENGLP proposes to adjust the reference price effective January 1, 2022 based on the projected accumulated balance in the PGCVA as of the end of December, 2021 and the forecasted cost of gas over the twelve-month period. The reference price is set such that the projected PGCVA balance at the end of December 2022 is close to zero.

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



1 ENGLP proposes to increase the reference price by \$0.015151 per m<sup>3</sup> effective January 1, 2022,  
2 (from \$0.140567 per m<sup>3</sup> to \$0.155718 per m<sup>3</sup>.) The derivation of this rate is shown in Schedule 5.  
3 This is the reference price required to bring the PGCVA balance close to zero on a twelve-month  
4 forecast basis. This change will also be reflected in the gas commodity charge.

5

6

## **GAS PURCHASE REBALANCING ACCOUNT**

The impact on the GPRA of the proposed January 1, 2022 PGCVA reference price change from \$0.140567 per m<sup>3</sup> to \$0.155718 per m<sup>3</sup> is a credit of \$15,379.23, as shown on Schedule 8. This figure is shown in column (J) of Schedule 8 on the December 2021 line. It is calculated as the change in the PGCVA reference price between December, 2021 and January, 2022, multiplied by the cumulative inventory balance at the end of December, 2021. This cumulative inventory balance is the sum of the forecasted monthly inventory balances for September, 2021 and forecasts for the subsequent months. These forecasts will be replaced with actual balances for these months in subsequent QRAM applications as this information becomes available. As well, the monthly inventory balances are based on a deemed level of unaccounted for gas ("UFG") of the total throughput volume, as shown in column (F) of Schedule 8. The 0.0% is the Board approved level of UFG from EB-2018-0264.

ENGLP proposes to adjust the gas commodity charge effective January 1, 2022 based on the projected accumulated balance in the GPRA. The adjustment to the gas commodity charge will be set such that the projected GPRA balance at the end of December, 2022 will be close to zero. The rate required to achieve this is shown in column (K) on Schedule 8. Column (P) shows the reduction of the inventory revaluation balance based on this rate of -\$0.005971 per m<sup>3</sup> over the January, 2022 through December, 2022 period.

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

## **GAS COMMODITY CHARGE**

The change in the gas commodity charge proposed for January 1, 2022 is summarized below. The change in the gas commodity charge reflects both the change in the PGCVA reference price and the change in the recovery of the inventory revaluation amount in the GPRA. It does not reflect the approved change in the system gas supply cost. The change in the gas commodity charge is as follows:

**Table 3 - Changes in Gas Commodity Charge**

	EB-2021-0236 1-Oct-21	Proposed 1-Jan-22	Variance
PGCVA Reference Price	\$0.140567	\$0.155718	\$0.015151
<u>GPRA Recovery</u>	<u>(\$0.005780)</u>	<u>(\$0.005971)</u>	<u>(\$0.000191)</u>
Gas Commodity Charge	\$0.134787	\$0.149747	\$0.014960

1 **SUMMARY**

2  
3 In summary, ENGLP proposes to increase the reference price for amounts to be recorded in the  
4 Purchased Gas Commodity Variance Account by \$0.015151 to \$0.155718 per m<sup>3</sup> effective January  
5 1, 2022. Appendix B contains the accounting entries related to the PGCVA.

6  
7 ENGLP also proposes to increase the gas supply charge from \$0.134787 to \$0.149747 per m<sup>3</sup>  
8 effective January 1, 2022. This change reflects the change in the PGCVA reference price and the  
9 change related to the recovery of the GPRA balance, both as described above. These changes  
10 apply to all system gas customers served under Rates 1, 6, and 11. Customers served under Rate  
11 16 are not impacted by changes in Gas Commodity Charge, as they procure their own supply and  
12 are not served by system gas supply. The proposed rate schedules are attached as Appendix A.  
13 The proposed rate schedules in Appendix A reflect the changes effective October 1, 2021 related  
14 to this QRAM application.

15  
16 Schedule 9 provides a bill comparison showing the impact of the changes in the proposed gas  
17 commodity charge on a year over year basis for the appropriate quarter as well as the annual bill  
18 impact of the most recent quarterly change for an average residential customer. The annual bill  
19 impact related to the change in the commodity charges on a customer consuming approximately  
20 2,149.0 m<sup>3</sup> is an increase of \$75.12. This average use figure of 2,149.0 m<sup>3</sup> is consistent with the  
21 bill impacts presented in ENGLP's 2020 Incentive Rate-setting Mechanism application (EB-2019-  
22 0264) and reflects the Board's expectation that QRAM applications would provide bill impacts  
23 based on this level for a typical residential customer.

24  
25 ENGLP is planning to send a notice to customers to notify of the rate changes to be included with  
26 bills issued during January 2022 (impacts of both the this QRAM and the EB-2021-0216 IRM  
27 decisions).

EPCOR NATURAL GAS LIMITED PARTNERSHIP

**PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE**

**HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2021 TO DECEMBER, 2021**

<u>Act/Fcst</u>	<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Actual/ Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
Actual	January	0	0	0.000000	0.138135	0.138135	0.00	63,045	29.95	160.62	30	63,205	181.4	0.57%
Actual	February	-80,552	-398,600	0.202087	0.138135	-0.063952	25,491.22	88,536	29.95	190.57	25,521	88,727	218.2	0.57%
Actual	March	0	0	0.000000	0.138135	0.138135	0.00	88,536	42.05	232.62	42	88,769	156.4	0.57%
Actual	April	0	0	0.000000	0.142108	0.142108	0.00	88,536	42.05	274.67	42	88,811	102.2	0.57%
Actual	May	42,469	338,477	0.125470	0.142108	0.016638	5,631.57	94,168	42.05	316.72	5,674	94,484	56.2	0.57%
Actual	June	45,368	372,479	0.121799	0.142108	0.020309	7,564.67	101,732	44.73	361.45	7,609	102,094	25.3	0.57%
Actual	July	0	0	0.000000	0.111739	0.111739	0.00	101,732	48.32	409.77	48	102,142	19.0	0.57%
Actual	August	0	0	0.000000	0.111739	0.111739	0.00	101,732	48.32	458.09	48	102,190	17.7	0.57%
Actual	September	19,578	108,952	0.179692	0.111739	-0.067953	-7,403.63	94,329	48.32	506.41	-7,355	94,835	25.1	0.57%
Forecast	October	40,020	164,293	0.243780	0.140567	-0.103213	-16,944.05	77,392	0.00	506.41	-16,944	77,899	53.6	0.57%
Forecast	November	53,381	214,090	0.249337	0.140567	-0.108770	-23,286.52	54,106	36.76	543.17	-23,250	54,649	212.9	0.57%
<u>Forecast</u>	<u>December</u>	<u>138,671</u>	<u>572,380</u>	<u>0.242270</u>	<u>0.140567</u>	<u>-0.101703</u>	<u>321,787.24</u>	<u>375,893</u>	<u>25.70</u>	<u>568.87</u>	<u>321,813</u>	<u>376,462</u>	<u>278.0</u>	<u>0.57%</u>
	Total	258,934	1,372,070				312,841	375,893	438	569	313,279	376,462	1346.1	

A credit of \$380,000 is included in the December 2021 PGCVA balance

PGCVA Balance per M\*3 Purchased (\$/M\*3) \$0.274375

Average Residential Consumption per Customer 1,346.1 M\*3

Estimated Impact on Average Residential Customer \$369.34 Customer Rebate

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2021 TO DECEMBER, 2021

	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Total</u>
<b><u>Volumes (m3)</u></b>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	0	0	0
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	0	0	0	0	338,477	372,479	0	0	108,952	126,144	160,224	572,380	1,678,656
Spot Purchase	0	0	0	0	0	0	0	0	0	38,021	53,866	0	91,887
Spot Sale	0	-398,600	0	0	0	0	0	0	0	0	0	0	-398,600
Total	0	(398,600)	0	0	338,477	372,479	0	0	108,952	164,166	214,090	572,380	
<b><u>Price (\$/m3)</u></b>													
Dawn Day Ahead Index	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Fixed Price	0.000000	0.000000	0.000000	0.000000	0.125470	0.121799	0.000000	0.000000	0.179692	0.244964	0.257153	0.242270	
Spot Purchase	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.239852	0.226090	0.000000	
Spot Sale	0.000000	0.202087	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<b><u>Total Gas Cost (\$)</u></b>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	0	0	0
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	0	0	0	0	42,469	45,368	0	0	19,578	30,901	41,202	138,671	318,188
Spot Purchase	0	0	0	0	0	0	0	0	0	9,120	12,179	0	21,298
Spot Sale	0	-80,552	0	0	0	0	0	0	0	0	0	0	(80,552)
Total	0	(80,552)	0	0	42,469	45,368	0	0	19,578	40,020	53,381	138,671	258,934

**HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2021 TO DECEMBER, 2021**

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EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2022 TO DECEMBER, 2022  
(WITH CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
January	139,938	572,380	0.244484	0.155718	(0.088766)	(50,807.88)	325,085.24	0.00	568.87	(50,807.88)	325,654.11	316.3	0.57%
February	127,300	516,989	0.246234	0.155718	(0.090516)	(46,795.78)	278,289.46	154.42	723.29	(46,641.36)	279,012.75	317.4	0.57%
March	136,399	572,380	0.238301	0.155718	(0.082583)	(47,268.86)	231,020.60	132.19	855.48	(47,136.67)	231,876.08	268.8	0.57%
April	185,306	1,021,618	0.181385	0.155718	(0.025667)	(26,221.87)	204,798.73	109.73	965.21	(26,112.14)	205,763.94	195.5	0.57%
May	188,182	1,059,220	0.177661	0.155718	(0.021943)	(23,242.46)	181,556.27	97.28	1,062.49	(23,145.18)	182,618.76	125.6	0.57%
June	151,505	850,712	0.178092	0.155718	(0.022374)	(19,033.83)	162,522.44	86.24	1,148.73	(18,947.59)	163,671.17	77.0	0.57%
July	112,194	625,204	0.179452	0.155718	(0.023734)	(14,838.59)	147,683.85	77.20	1,225.93	(14,761.39)	148,909.78	61.7	0.57%
August	128,725	715,870	0.179816	0.155718	(0.024098)	(17,251.04)	130,432.81	70.15	1,296.08	(17,180.89)	131,728.89	63.0	0.57%
September	87,246	489,827	0.178116	0.155718	(0.022398)	(10,971.15)	119,461.66	61.96	1,358.04	(10,909.19)	120,819.70	86.9	0.57%
October	206,713	1,144,363	0.180636	0.155718	(0.024918)	(28,515.24)	90,946.42	56.74	1,414.78	(28,458.50)	92,361.20	145.9	0.57%
November	282,129	1,517,188	0.185955	0.155718	(0.030237)	(45,875.21)	45,071.21	43.20	1,457.98	(45,832.01)	46,529.19	212.9	0.57%
<u>December</u>	<u>223,825</u>	<u>1,138,453</u>	<u>0.196604</u>	<u>0.155718</u>	<u>(0.040886)</u>	<u>(46,546.79)</u>	<u>(1,475.58)</u>	<u>21.41</u>	<u>1,479.39</u>	<u>(46,525.38)</u>	<u>3.81</u>	<u>278.0</u>	<u>0.57%</u>
Total	1,969,462	10,224,204	0.192627			(377,368.70)	(1,475.58)	910.52	1,479.39	(376,458.18)	3.81	2,149.0	

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

(1) Includes December, 2021 year-to-date balance of \$375,893.12 (See Schedule 2)  
(2) Includes December, 2021 year-to-date balance of \$568.87 (See Schedule 2)



EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2022 TO DECEMBER, 2022

	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Total</u>
<b><u>Volumes (m3)</u></b>													
Dawn Day Ahead Index	0	0	0	814,090	844,774	643,184	410,758	501,424	282,299	1144363	1517188	342955	6,501,035
AECO 5A	0	0	0	207,528	214,446	207,528	214,446	214,446	207,528	0	0	0	1,265,922
Dawn Fixed Price	572,380	516,989	572,380	0	0	0	0	0	0	0	0	795498	2,457,247
Spot Purchase	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	572,380	516,989	572,380	1,021,618	1,059,220	850,712	625,204	715,870	489,827	1,144,363	1,517,188	1,138,453	10,224,204
<b><u>Price (\$/m3)</u></b>													
Dawn Day Ahead Index	0.000000	0.000000	0.000000	0.180785	0.177315	0.177991	0.179914	0.180149	0.179227	0.180636	0.185955	0.196604	
AECO 5A	0.000000	0.000000	0.000000	0.183739	0.179025	0.178407	0.178567	0.179038	0.176604	0.000000	0.000000	0.000000	
Dawn Fixed Price	0.244484	0.246234	0.238301	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.196604	
Spot Purchase	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Spot Sale	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<b><u>Total Gas Cost (\$)</u></b>													
Dawn Day Ahead Index	0	0	0	147,175	149,791	114,481	73,901	90,331	50,596	206,712.64	282,129.08	67,426.47	1,182,543
AECO 5A	0	0	0	38,131	38,391	37,024	38,293	38,394	36,650	0.00	0.00	0.00	226,884
Dawn Fixed Price	139,938	127,300	136,399	0	0	0	0	0	0	0.00	0.00	156,398.41	560,035
Spot Purchase	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0
Spot Sale	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0
Total	139,938	127,300	136,399	185,306	188,182	151,505	112,194	128,725	87,246	206,713	282,129	223,825	1,969,462



EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

JANUARY, 2021 THROUGH DECEMBER, 2022

<u>Month</u>	<u>Purchase Volume (M*3) A</u>	<u>Throughput Volume (M*3) B</u>	<u>Direct Purchase Volume (M*3) C</u>	<u>System Sales Volume (M*3) D=B-C</u>	<u>Deemed U.F.G. (M*3) E</u>	<u>System Sales + U.F.G. (M*3) F=D+E</u>	<u>Monthly Inventory Balance (M*3) G=A-F</u>	<u>Cumulative Inventory (M*3) H (1)</u>	<u>Reference Price (\$/M*3) I</u>	<u>Inventory Revaluation (\$/s) J</u>	<u>Inventory Rate (\$/M*3) K</u>	<u>Inventory Recovery (\$/s) L=KxD</u>	<u>Y-T-D GPRA Balance (\$/s) M (2)</u>	<u>Monthly Interest (\$/s) N</u>	<u>Y-T-D Interest (\$/s) O (3)</u>	<u>Total Y-T-D GPRA (\$/s) P=M+O</u>	<u>Monthly Interest Rate</u>
January	0	54,651	0	54,651	0	54,651	(54,651)	2,369,383	0.138135	0.00	(0.005165)	(282.27)	56,402.79	26.93	105.95	56,508.74	0.57%
February	(398,600)	108,603	0	108,603	0	108,603	(507,202)	1,862,181	0.138135	0.00	(0.005165)	(560.93)	55,841.86	26.79	132.74	55,974.60	0.57%
March	0	111,087	0	111,087	0	111,087	(111,087)	1,751,094	0.138135	6,956.94	(0.005165)	(573.76)	62,225.04	26.52	159.26	62,384.30	0.57%
April	0	92,104	0	92,104	0	92,104	(92,104)	1,658,990	0.142108	0.00	(0.006337)	(583.66)	61,641.38	29.56	188.82	61,830.20	0.57%
May	338,477	63,758	0	63,758	0	63,758	274,718	1,933,708	0.142108	0.00	(0.006337)	(404.04)	61,237.34	29.28	218.10	61,455.44	0.57%
June	372,479	35,691	0	35,691	0	35,691	336,787	2,270,496	0.142108	(68,952.68)	(0.006337)	(226.18)	(7,941.52)	29.09	247.19	(7,694.33)	0.57%
July	0	43,256	0	43,256	0	43,256	(43,256)	2,227,239	0.111739	0.00	0.000771	33.35	(7,908.17)	(3.77)	243.42	(7,664.75)	0.57%
August	0	34,518	0	34,518	0	34,518	(34,518)	2,192,722	0.111739	0.00	0.000771	26.61	(7,881.56)	(3.76)	239.66	(7,641.90)	0.57%
September	108,952	44,961	0	44,961	0	44,961	63,991	2,256,713	0.111739	65,056.52	0.000771	34.67	57,209.63	(3.74)	235.92	57,445.55	0.57%
October	164,293	171,277	0	171,277	0	171,277	(6,984)	2,249,729	0.140567	0.00	(0.005780)	(989.98)	56,219.65	27.17	263.09	56,482.74	0.57%
November	214,090	939,524	0	939,524	0	939,524	(725,435)	1,524,294	0.140567	0.00	(0.005780)	(5,430.45)	50,789.20	26.70	289.79	51,078.99	0.57%
December	572,380	1,081,611	0	1,081,611	0	1,081,611	(509,231)	1,015,064	0.140567	15,379.23	(0.005780)	(6,251.71)	59,916.72	24.12	313.91	60,230.63	0.57%
January	572,380	1,161,187	0	1,161,187	0	1,161,187	(588,807)	426,257	0.155718	0.00	(0.005971)	(6,933.45)	52,983.27	28.46	342.37	53,325.64	0.57%
February	516,989	1,188,116	0	1,188,116	0	1,188,116	(671,127)	(244,870)	0.155718	0.00	(0.005971)	(7,094.24)	45,889.03	25.17	367.54	46,256.57	0.57%
March	572,380	1,023,305	0	1,023,305	0	1,023,305	(450,925)	(695,795)	0.155718	0.00	(0.005971)	(6,110.15)	39,778.88	21.80	389.34	40,168.22	0.57%
April	1,021,618	744,485	0	744,485	0	744,485	277,133	(418,662)	0.155718	0.00	(0.005971)	(4,445.32)	35,333.56	18.89	408.23	35,741.79	0.57%
May	1,059,220	464,120	0	464,120	0	464,120	595,100	176,438	0.155718	0.00	(0.005971)	(2,771.26)	32,562.30	16.78	425.01	32,987.31	0.57%
June	850,712	274,450	0	274,450	0	274,450	576,262	752,700	0.155718	0.00	(0.005971)	(1,638.74)	30,923.56	15.47	440.48	31,364.04	0.57%
July	625,204	228,216	0	228,216	0	228,216	396,988	1,149,688	0.155718	0.00	(0.005971)	(1,362.68)	29,560.88	14.69	455.17	30,016.05	0.57%
August	715,870	319,327	0	319,327	0	319,327	396,543	1,546,230	0.155718	0.00	(0.005971)	(1,906.70)	27,654.18	14.04	469.21	28,123.39	0.57%
September	489,827	490,025	0	490,025	0	490,025	(198)	1,546,032	0.155718	0.00	(0.005971)	(2,925.94)	24,728.24	13.14	482.35	25,210.59	0.57%
October	1,144,363	1,141,059	0	1,141,059	0	1,141,059	3,304	1,549,336	0.155718	0.00	(0.005971)	(6,813.26)	17,914.98	11.75	494.10	18,409.08	0.57%
November	1,517,188	1,512,721	0	1,512,721	0	1,512,721	4,467	1,553,803	0.155718	0.00	(0.005971)	(9,032.46)	8,882.52	8.51	502.61	9,385.13	0.57%
<u>December</u>	<u>1,138,453</u>	<u>1,573,302</u>	<u>0</u>	<u>1,573,302</u>	<u>0</u>	<u>1,573,302</u>	<u>(434,849)</u>	<u>1,118,954</u>	<u>0.155718</u>	<u>0.00</u>	<u>(0.005971)</u>	<u>(9,394.19)</u>	<u>(511.67)</u>	<u>4.22</u>	<u>506.83</u>	<u>(4.84)</u>	<u>0.57%</u>

(1) Includes balance of 2,424,034 as of December, 2020  
(2) Includes balance of 56,685.06 as of December, 2020  
(3) Includes balance of 79.02 as of December, 2020

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jan-21 <u>EB-2020-0295</u>	Quarter Starting 01-Jan-22 <u>EB-2021-0309</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption for Quarter	902.5	902.5		
Monthly Charges	\$80.34	\$81.81	\$1.47	1.8%
Delivery Charges	\$246.00	\$250.70	\$4.70	1.9%
Upstream Charges	\$26.57	\$26.57	\$0.00	0.0%
Rate Riders	\$14.74	\$25.60	\$10.86	73.7%
Federal Carbon Charge (if applicable)	\$52.98	\$70.67	\$17.69	33.4%
Total Commodity Charges	<u>\$120.00</u>	<u>\$135.15</u>	<u>\$15.14</u>	<u>12.6%</u>
Total Customer Charges	\$540.63	\$590.48	\$49.86	9.2%

ANNUAL BILL IMPACT

	01-Oct-21 <u>EB-2021-0236</u>	01-Jan-22 <u>EB-2021-0309</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption	2,149.0	2,149.0		
Monthly Charges	\$321.36	\$327.24	\$5.88	1.8%
Delivery Charges	\$587.81	\$599.03	\$11.23	1.9%
Upstream Charges	\$89.66	\$89.66	\$0.00	0.0%
Rate Riders	\$35.09	\$60.95	\$25.86	73.7%
Federal Carbon Charge (if applicable)	\$168.27	\$168.27	\$0.00	0.0%
Total Commodity Charges	<u>\$289.66</u>	<u>\$321.81</u>	<u>\$32.15</u>	<u>11.1%</u>
Total Customer Charges	\$1,491.84	\$1,566.96	\$75.12	5.0%

RATES USED (1)

	01-Jan-21 <u>EB-2020-0295</u>	01-Oct-21 <u>EB-2021-0236</u>	01-Jan-22 <u>EB-2021-0309</u>
Monthly Charge	26.78	26.78	27.27
Delivery Charge - first 100 m3	0.276210	0.276210	0.281486
Delivery Charge - next 400 m3	0.270769	0.270769	0.275941
Delivery Charge - after 500 m3	0.262771	0.262771	0.267790
Upstream Charges - Recovery	0.014740	0.014740	0.014740
Upstream Charges - Tport Storage	0.026982	0.026982	0.026982
Rate Rider for Delay in Revenue Recovery	0.016330	0.016330	0.016330
ECVA Rate Rider	N/A	N/A	0.001403

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

**OEB File No: EB-2021-0309**

**Dated: December XX, 2021**

## **RATE 1 - General Firm Service**

### **Applicability**

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

### **Rate**

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

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

<b>Monthly Fixed Charge <sup>(1)</sup></b>	\$27.27
<b>Delivery Charge</b>	
First 100 m <sup>3</sup> per month	28.1486 ¢ per m <sup>3</sup>
Next 400 m <sup>3</sup> per month	27.5941 ¢ per m <sup>3</sup>
Over 500 m <sup>3</sup> per month	26.7790 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge	1.474 ¢ per m <sup>3</sup>
Transportation and Storage charge	2.6982 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	1.633 ¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028	
<b>ECVA Rate Rider</b>	0.1403 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>CIACVA Rate Rider</b>	0.5434 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>EFVA Rate Rider</b>	0.5197 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>Federal Carbon Charge (if applicable)</b>	7.83 ¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	14.9747 ¢ per m <sup>3</sup>

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

### **Direct Purchase Delivery**

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

**Terms and Conditions of Service**

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

Effective: January 1, 2022

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

EB-2021-0309

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

### **Applicability**

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

### **Rate**

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

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

<b>Monthly Fixed Charge <sup>(1)</sup></b>	\$108.16	
<b>Delivery Charge</b>		
First 1000 m <sup>3</sup> per month	25.9678	¢ per m <sup>3</sup>
Next 6000 m <sup>3</sup> per month	23.3710	¢ per m <sup>3</sup>
Over 7000 m <sup>3</sup> per month	22.2023	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge	2.9200	¢ per m <sup>3</sup>
Transportation and Storage charge	5.6413	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	1.633	¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028		
<b>ECVA Rate Rider</b>	0.1403	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>CIACVA Rate Rider</b>	0.7135	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>EFVA Rate Rider</b>	0.6608	¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022		
<b>Federal Carbon Charge (if applicable)</b>	7.83	¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	14.9747	¢ per m <sup>3</sup>

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

### **Direct Purchase Delivery**

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



**Terms and Conditions of Service**

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

Effective: January 1, 2022

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

EB-2021-0309

### **RATE 11 - Large Volume Seasonal Service**

#### **Applicability**

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

#### **Rate**

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

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

<b>Monthly Fixed Charge <sup>(1)</sup></b>	\$215.31
<b>Delivery Charge</b>	
All volumes delivered	16.1303 ¢ per m <sup>3</sup>
<b>Upstream Charges</b>	
Upstream Recovery charge	0.0352 ¢ per m <sup>3</sup>
Transportation and Storage charge	1.8166 ¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.5524 ¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028	
<b>ECVA Rate Rider</b>	0.1403 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>CIACVA Rate Rider</b>	0.0992 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>EFVA Rate Rider</b>	0.1075 ¢ per m <sup>3</sup>
- effective for 12 months ending December 31, 2022	
<b>Federal Carbon Charge (if applicable)</b>	7.83 ¢ per m <sup>3</sup>
<b>Gas Supply Charge</b>	14.9747 ¢ per m <sup>3</sup>

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

#### **Unaccounted for Gas (UFG):**

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

<b>Forecasted Unaccounted for Gas Percentage</b>	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 m<sup>3</sup>

Any volume of gas taken during the period of December 16 through April 30 inclusive without EPCOR’s approval in advance shall constitute “Unauthorized Overrun Gas”. Delivery of these volumes will be paid for at the Unauthorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges.

**Unauthorized Overrun Charge**

402.5107 ¢ per m<sup>3</sup>

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

**Nominations:**

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

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

The nomination calculation shall equal:

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

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

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

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

**Load Balancing:**

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

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

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

### **Direct Purchase Delivery**

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

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

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

Effective: January 1, 2022

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

EB-2021-0309

## **RATE 16 – Contracted Firm Service**

### **Applicability**

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

### **Rate**

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

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

<b>Monthly Fixed Charge <sup>(1)</sup></b>	\$1,576.78	
Delivery Charge		
Per m <sup>3</sup> of Contract Demand	107.4831	¢ per m <sup>3</sup>
<b>Upstream Charges</b>		
Upstream Recovery charge per m <sup>3</sup> of Contract Demand	14.2434	¢ per m <sup>3</sup>
Transportation charge per m <sup>3</sup> of Contract Demand		
Transportation from Dawn	18.2999	¢ per m <sup>3</sup>
Transportation from Kirkwall	11.8480	¢ per m <sup>3</sup>
Transportation from Parkway	11.8480	¢ per m <sup>3</sup>
<b>Rate Rider for Delay in Revenue Recovery</b>	0.0601	¢ per m <sup>3</sup>
- effective for 10 years ending December 31, 2028		
<b>ECVA Rate Rider</b>	0.1403	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>CIACVA Rate Rider</b>	0.9603	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>EFVA Rate Rider</b>	0.7964	Per m <sup>3</sup> of Contract Demand
- effective for 12 months ending December 31, 2022		
<b>Federal Carbon Charge (if applicable)</b>	7.83	¢ per m <sup>3</sup>

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

**Unaccounted for Gas:**

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

**Forecasted Unaccounted for Gas Percentage** 0.00 %

**Overrun Charges:**

Any volume of gas taken in excess of the daily Contract Demand or Peak Hourly Volume EPCOR is obligated to transport as per the contract with the customer shall constitute "Overrun Gas" and must be authorized in advance by EPCOR. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges. EPCOR will not unreasonably withhold authorization.

**Authorized Overrun Charge** 5.2526 ¢ per m<sup>3</sup>

Any volume of gas taken in excess of the daily Contract Demand or Peak Hourly Volume EPCOR is obligated to transport as per the contract with the customer without EPCOR's approval in advance shall constitute "Unauthorized Overrun Gas". Delivery of these volumes will be paid for at the Unauthorized Overrun Charge in addition to applicable Upstream Charges.

**Unauthorized Overrun Charge** 402.6142 ¢ per m<sup>3</sup>

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

**Nominations:**

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

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

The nomination calculation shall equal:

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

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

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

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

**Load Balancing:**

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

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

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

**Gas Supply:**

Unless otherwise authorized by EPCOR, customers under this Rate Schedule must deliver firm gas at a receipt point listed on the upstream transportation contract that EPCOR has with the Upstream Service Provider ("**Ontario Delivery Point**"). The customer or their agent must enter into a T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. T-Service Receipt Contract rates are described in Rate Schedule T1.

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

The Gas Supply calculation shall equal:

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

**Terms and Conditions of Service**

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

Effective: January 1, 2022

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

EB-2021-0309

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

### **Availability**

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

### **Eligibility**

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

### **Rate**

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

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

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

### **Unaccounted for Gas:**

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

<b>Forecasted Unaccounted for Gas Percentage</b>	0.00 %
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### **Gas Supply:**

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

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

The Gas Supply calculation shall equal:

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

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

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

Effective: January 1, 2022

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

EB-2021-0309



**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

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

**APPENDIX “B” TO**  
**DECISION AND RATE ORDER**  
**OEB File No: EB-2021-0309**  
**Dated: December XX, 2021**

## **EPCOR NATURAL GAS LIMITED PARTNERSHIP**

### **Accounting Entries for the Purchased Gas Commodity Variance Account**

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

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

Debit/Credit Account No. 179-27 Purchased Gas Commodity Variance Account (PGCVA)  
Credit/Debit Account No. 623 Cost of Gas

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

Debit/Credit Account No. 179-28 Purchased Gas Commodity Variance Account (PGCVA)  
Credit/Debit Account No. 323 Other Interest Expense

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

**APPENDIX “C” TO**  
**DECISION AND RATE ORDER**  
**OEB File No: EB-2021-0309**  
**Dated: December XX, 2021**

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

### **Gas Commodity:**

On all bills rendered by EPCOR on or after January 1, 2022, the price we charge for the gas commodity and transportation portion of your bill will be increasing by \$0.014960 per cubic meter to \$0.149747 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects that it will be paying to its gas suppliers through to the end of December, 2022. On your gas bill this cost is on the line entitled "Gas Commodity".

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

How will the price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 2,150 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$75 per year. For customers who have arranged to have their gas supplied by a gas marketer/broker, the price may or may not change depending on the terms of the contract the customer has with the gas marketer/broker.

### **Gas Delivery:**

The Ontario Energy Board (OEB) has approved changes to the delivery charges that EPCOR charges its customers commencing January 1, 2022. On all bills rendered by EPCOR on or after January 1, 2022, there will be rate changes for the "Fixed Monthly Charge" and "Delivery To You Charges". In addition, some temporary rate adjustments will be added to your bill from January 1, 2022 to December 31, 2022 to recover specific amounts related to the clearing of balances in certain deferral & variance accounts as approved by the OEB. Anticipated annual impact for residential customers (*will vary based on usage*): \$43

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If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 1 888-765-2256.

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