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June 9, 2022

Sent by EMAIL, RESS e-filing

Ms. Nancy Marconi
Registrar
Ontario Energy Board
27-2300 Yonge Street
Toronto, ON M4P 1E4

Dear Registrar:

**Re: EB-2022-0173: Quarterly Rate Adjustment Mechanism (“QRAM”) Application
EPCOR Natural Gas LP (“ENGLP”) Aylmer for rates effective July 1, 2022**

Please find attached the submission for ENGLP Aylmer’s QRAM Application to the Ontario Energy Board for orders effective July 1, 2022.

As described in further detail in the application, ENGLP has filed its evidence based on the two approaches filed by Enbridge Gas Inc. in its EB-2022-0150 July 1, 2022 QRAM application.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. Hesselink", written over a light blue horizontal line.

Tim Hesselink, CPA, CGA
Senior Manager, Regulatory Affairs
EPCOR Natural Gas Limited Partnership
(705) 445-1800 ext. 2274
THesselink@epcor.com

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership (ENGLP) for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of July 1, 2022;

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism.

APPLICATION

1. As part of the EB-2022-0099 Decision and Rate Order dated March 24, 2022, the Ontario Energy Board (“Board”) approved a PGCVA reference price of \$0.199018 per m³ and a gas supply charge of \$0.188062 per m³, both effective April 1, 2022.
2. Based on actual and forecast natural gas prices for the July, 2021 through June, 2022 period the PGCVA balance is projected to be a charge of approximately \$0.77 per residential customer.
3. ENGLP has filed its evidence based on the two approaches filed by Enbridge Gas Inc. in its EB-2022-0150 July 1, 2022 QRAM application: the Preferred Rate Mitigation Approach and the Alternate Rate Mitigation Approach.
4. ENGLP hereby applies to the Board for further orders effective July 1, 2022:
 - a) an order changing the reference price authorized by the Board’s EB-2022-0099 Decision and Rate Order for use in determining the amounts to be

recorded in the Purchased Gas Commodity Variance Account (Account No. 179-27) by

- i) \$0.110245 per m³ from the Board approved level of \$0.199018 per m³ to \$0.309263 per m³ if the Board approves the Enbridge Preferred Rate Mitigation Approach, or
- ii) \$0.0700502 per m³ from the Board approved level of \$0.199018 per m³ to \$0.269520 per m³ if the Board approves the Enbridge Alternate Rate Mitigation Approach;

- b) an order changing the rates and other charges from those authorized by the Board's EB-2022-0099 Decision and Rate Order to reflect a projected
 - i) \$0.078031 per m³ change in the gas supply charge from the Board approved level of \$0.188062 per m³ to a projected cost of \$0.266093 per m³ if the Board approves the Enbridge Preferred Rate Mitigation Approach, or
 - ii) \$0.050158 per m³ change in the gas supply charge from the Board approved level of \$0.188062 per m³ to a projected cost of \$0.2238220 per m³ if the Board approves the Enbridge Alternate Rate Mitigation Approach.

These changes are the sum of the change in the PGCVA reference price, the change required to prospectively clear the balance of the Gas Purchase Rebalancing Account and the continuation of the system gas supply cost approved in EB-2018-0336 based on the two options filed by Enbridge Gas Inc. in EB-2022-0150.

- 5. This application will be supported by written evidence that will be pre-filed with the Board and intervenors of record in EB-2018-0336.
- 6. Pursuant to the criteria established in the Board's EB-2008-0106 Decision, below is the Board's direction with respect to the timeline for processing the application:

- * Parties to this proceeding wishing to make comments on the application may do so by filing such submissions with the Registrar and ENGLP no later than 4:45 p.m. five calendar days following the filing of the QRAM application;
- * ENGLP shall reply to any comments received by filing such replies with the Registrar and serving an electronic copy on all parties who make submissions no later than 4:45 p.m. three calendar days following receipt of comments;
- * The Board issues its Decision and Order by the 25th of June for implementation effective July 1, 2022.

7. The address of service for EPCOR Natural Gas Limited Partnership is:

Mr. Tim Hesselink
Senior Manager, Regulatory Affairs, Ontario
EPCOR Natural Gas Limited Partnership
43 Stewart Road, Collingwood, ON L9Y 4M7

Telephone: (705)-445-1800 ext. 2274
E-Mail: thesselink@epcor.com

And

Mr. Randy Aiken
Aiken & Associates
578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6

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

Dated at Collingwood, Ontario, this 9th day of June, 2022.

EPCOR Natural Gas Limited Partnership

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

EPCOR NATURAL GAS LIMITED PARTNERSHIP

A. INTRODUCTION

As part of the EB-2022-0099 Decision and Rate Order dated March 24, 2022 the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) reference price of \$0.199018 per m³ and a gas commodity charge of \$0.188062 per m³, both effective April 1, 2022 for EPCOR Natural Gas Limited Partnership (“ENGLP”).

In RP-2002-0147/EB-2003-0286 (Accounting Order dated January 30, 2004), the Board approved a Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in ENGLP’s PGCVA reference price. This account was maintained in the EB-2018-0336 Decision and Interim Rate Order dated July 4, 2019. In EB-2022-0099, the Board approved a GPRA rate of \$(0.011391) per m³.

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

B. PURCHASED GAS COMMODITY VARIANCE ACCOUNT

Updated Forecasts

Based on actual and forecast costs, the PGCVA account balance totals a charge of \$0.77 per average residential customer for the twelve-month period ending June, 2022 (Schedule 2).

The current forecast reflects the forecast for natural gas prices over the relevant period. These gas prices reflect current contracts and current market conditions, including alternative energy prices, demand for natural gas, the weather outlook and the impact of current storage levels. These impacts are reflected in the concurrent EB-2022-0150

1 QRAM application dated June 3, 2022 for the Union South rate zone filed by Enbridge
2 Gas Inc. (“Enbridge”). The Enbridge QRAM application also includes two proposed rate
3 mitigation options for the Board’s consideration. The impact on ENGLP of these two
4 rate mitigation options is discussed in detail under the Section E below.

5
6 The PGCVA balance has been calculated using the most recent information available,
7 including actual volumes and costs through April, 2022. The remaining months in the
8 twelve-month period ending June, 2022 are calculated using estimated prices and
9 volumes based on the best information available at the time of filing.

10
11 Forecast prices have been used for the period July, 2022, through June, 2023 period, and
12 reflect the prices that result from existing contracts that are currently in place.

13 14 **C. GAS SUPPLY PORTFOLIO**

15 The gas supply portfolio reflects the current and forecasted mix of delivery points utilized
16 by ENGLP for system gas purchases. In particular, the gas supply portfolio reflected in
17 this QRAM application reflects the Detailed Supply/Demand Forecast found in Appendix
18 C to ENGLP’s Annual Gas Supply Plan Update (EB-2021-0146) filed on April 30, 2021.
19 This is consistent with the intention that QRAM filings would reflect and align with the
20 most recent gas supply plan filing that has been reviewed by the Board.

21
22 ENGLP’s gas supply portfolio continues to include system gas purchases from Enbridge
23 and from a local producer.

24
25 ENGLP is a system gas customer on the Enbridge system on behalf of its own system gas
26 customers. ENGLP continues to have direct purchase customers on its system and
27 continues to ensure that they continue to balance their supply with their demand.

28
29 In addition to the system gas purchased from Enbridge noted above, ENGLP purchases
30 gas from a local producer in its franchise area. The monthly purchases for each of the

1 sources of supply are consistent with the figures in the annual gas supply update that was
2 filed with the Board on April 30, 2021 (EB-2021-0146) and noted above.

3
4 The composition of the gas supply portfolio volumes for the July, 2021 through June,
5 2022 period is shown on the top of Schedule 3. This schedule shows the monthly volume
6 of gas purchased or forecast to be purchased from the local producer and from Enbridge.
7 Similarly, the composition of the gas supply portfolio volumes for the July, 2022 through
8 June, 2023 period is shown on the top of Schedule 6.

9 10 **D. HISTORICAL GAS COSTS**

11 ENGLP's actual and forecast gas costs for the July, 2021 through June, 2022 period, by
12 source of supply, are shown in Schedule 4 in \$/GJ. These prices are also shown in the
13 middle section of Schedule 3 in $\$/m^3$. The bottom section of Schedule 3 shows the
14 composition of the total system gas costs. The conversion factor used to convert $\$/m^3$ to
15 \$/GJ is based on the heat values used by Enbridge in their calculation of ENGLP's
16 Banked Gas Account balances. These conversion factors are shown in Schedule 4. All
17 prices and costs shown are actual prices paid in July, 2021 through April, 2022. Prices
18 for the remaining months in this period are based on estimated prices to be paid in those
19 months. The costs shown for these remaining months are based on both the estimated
20 prices to be paid and the estimated volumes to be purchased.

21 22 Enbridge Gas Inc. System Gas Pricing

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

25 26 Local Production (A)

27 ENGL has not purchased any gas under the Local Production (A) since the contract
28 expired at the end of September, 2020. Therefore, as shown in Schedules 3 and 6,
29 volumes, prices and costs associated with Local Production (A) are shown as zero for all
30 months shown in those schedules.

1 Local Production (B)

2 ENGLP entered into an Amending Agreement dated January 25, 2021 to the gas purchase
3 contract noted above (that covered both Local Production (A) and (B) volumes) for this
4 gas based on a pricing mechanism similar to that paid for Local Production (C) as
5 explained below. Specifically, the commodity rate for this gas is calculated based on
6 both the difference in the energy content of the gas purchased from Lagasco relative to
7 that of the gas delivered by Enbridge, and the sum of the Enbridge total gas supply
8 commodity charge and the Board approved delivery commodity charge paid to Enbridge.
9 These charges are found in Schedule “A” to the Enbridge Union South rate schedules and
10 in Enbridge’s M9 rate schedule, respectively. A 5% discount is applied to the total gas
11 supply commodity charge (inclusive of commodity rate adjustments) from Enbridge for
12 all gas delivered to ENGLP. The formula used to determine the price to paid for this gas
13 is:

14

15
$$\text{Price (\$/m}^3\text{)} = \text{Local Producer Heat Content/Enbridge Heat Content} \times ((\text{Enbridge Total}$$

16
$$\text{Gas Supply Commodity Charge} \times 0.95) + \text{Enbridge M9 Delivery Commodity Charge}).$$

17

18 ENGLP notes that unlike the Local Production (C) pricing described below, there is no
19 firm contract demand charge associated with the Local Production (B) gas.

20

21 The Amending Agreement has a term to September 30, 2023.

22

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

29

30

1 Local Production (C)

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

8

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

16

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

18
$$\text{Gas Supply Commodity Charge} \times 0.95.$$

19

20 The actual price paid will reflect Enbridge's Board approved total gas supply commodity
21 charge and the actual heat content for both the Enbridge gas and the Lagasco gas.
22 ENGLP notes that there will be a true up of the cost due to Lagasco invoicing ENGLP
23 based on the forecast Enbridge heat content each month as the actual heat content is not
24 available from Enbridge at the time the invoice is prepared. This cost difference, which
25 ENGLP believes will continue to be small relative to the overall cost of the gas each
26 month, will continue to be reflected as an adjustment in subsequent invoices and is done
27 on a quarterly basis. These quarterly adjustments will continue to be reflected in the
28 PGCVA calculations in the month in which the adjustment is reflected in the invoices.

29

1 As a result of the above adjustments, the actual monthly historical prices will not exactly
2 match what would be generated by the above formula using the actual Enbridge heat
3 content.

4
5 For any gas delivered in excess of the firm contract demand of 1,200 GJ/day delivered,
6 the 5% discount will not apply to the price to be paid, and there will not be any
7 incremental demand charges and no overrun charges. ENGLP does not forecast any gas
8 delivered in excess of the firm contract demand.

9
10 In addition to the above commodity price, ENGLP pays the local producer a delivery
11 charge and a demand charge for the delivery of the gas into the distribution system up to
12 1,200 GJ/day. These charges are equal to the corresponding charges paid to Enbridge
13 under the M9 rate schedule, adjusted for the relative difference in the heat content of the
14 gas delivered. This adjustment for the relative difference in the heat content ensures that
15 the cost associated with the delivery charges and demand charges paid to the local
16 producer are equal to the cost reductions that will be experienced on the Enbridge system.
17 These costs are tracked through ENGLP's Purchased Gas Transportation Variance
18 Account ("PGTVA"). ENGLP assesses its contract demand with Enbridge annually, to
19 take effect November 1 of each year.

20
21 ENGLP maintained its contract demand with Enbridge effective November 1, 2021 at the
22 same level as in the previous year. The addition of the firm local production has allowed
23 for the continuing growth in customer attachments without any increased cost associated
24 with a higher contract demand on the Enbridge system.

25 26 **E. FORECAST GAS COSTS & ENBRIDGE RATE MITIGATION** 27 **OPTIONS**

28 As noted above, Enbridge filed to rate mitigation options for the Board's consideration in
29 EB-2022-0150. These options result in different gas commodity rates that would be paid

1 by ENGLP to Enbridge beginning July 1, 2022. As a result, this QRAM application
2 provides the impacts associated with each of the two Enbridge options.

3

4 Enbridge's Preferred Rate Mitigation Approach and the Alternate Rate Mitigation
5 Approach are described in detail in Exhibit A, Tab 2, Schedule 2 of Enbridge's July 1,
6 2022 QRAM application and evidence (EB-2022-0150). The resulting bill impacts on a
7 typical residential customer in each of Enbridge's rate zones are also found in the same
8 schedule.

9

10 The Preferred Rate Mitigation Approach contains a proposed 24-month disposition
11 period for commodity balances in each of the Enbridge rate zones respective PGVA
12 account balance. This approach is similar to that approved by the Board in Enbridge's
13 April 1, 2022 QRAM (EB-2022-0089). The annual bill impacts of this preferred
14 approach on a residential Union South customer (the rate zone that includes ENGLP) is
15 an increase in the gas commodity bill of \$246.92 or 55.7% and an increase in the total gas
16 bill of \$250.70 or 23.1%. These figures are shown in the Union South line of Table 3 in
17 Exhibit A, Tab 2, Schedule 2 of EB-2022-0150.

18

19 The Alternate Rate Mitigation Approach limits the total bill increase to 15% in all rate
20 zones for typical residential customers by applying PGVA credits of more than \$600
21 million for recovery with the October 2022 QRAM. This option uses a 12-month
22 disposition period for the commodity balances. The annual bill impacts of this preferred
23 approach on a residential Union South customer is an increase in the gas commodity bill
24 of \$158.09 or 35.7% and an increase in the total gas bill of \$161.87 or 14.9%. These
25 figures are shown in the Union South line of Table 4 in Exhibit A, Tab 2, Schedule 2 of
26 EB-2022-0150.

27

28

29

1 **E1. FORECAST GAS COSTS BASED ON ENBRIDGE PREFERRED**
2 **RATE MITIGATION APPROACH**

3 ENGLP's forecast gas costs for the July, 2022 through June, 2023 period, by source of
4 supply, are shown in Schedule 7 in \$/GJ. These prices are also shown in the middle
5 section of Schedule 6 in \$/m³. The bottom section of Schedule 6 shows the composition
6 of the total system gas costs. The conversion factor used to convert \$/m³ to \$/GJ is based
7 on the heat values used by Enbridge in their calculation of ENGLP's Banked Gas
8 Account balances. These conversion factors are shown in Schedule 7. The costs shown
9 are based on both the estimated prices to be paid and the estimated volumes to be
10 purchased.

11
12 Forecast gas prices for each of the sources of supply for the July, 2022 through June,
13 2023 period are described below.

14
15 Enbridge Gas Inc. System Gas Pricing

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

18
19 The price forecast for this gas reflects Enbridge's QRAM application in EB-2022-0150
20 dated June 3, 2022, where the gas supply commodity charge based on the Preferred Rate
21 Mitigation Approach has been forecast as \$0.313751 per m³ and is shown in the Enbridge
22 Gas line on ENGLP's Schedule 6 and in \$/GJ on Schedule 7. The \$0.313751 per m³
23 figure is taken from Enbridge's EB-2022-0150 application on line 4 in Exhibit E, Tab 2,
24 Schedule 7, Appendix A, page 6 of 17. This is Enbridge's Total Gas Supply Commodity
25 Charge for Utility Sales in the Union South operating area under their Preferred Rate
26 Mitigation Approach.

27
28 The Total Gas Supply Commodity Charge for Utility Sales in the Union South operating
29 area also directly impacts the price paid for gas purchased from the local producer noted
30 in Schedule 6 under Local Production (B) and Local Production (C) (see below).

1 At the time this application was prepared the Enbridge gas supply commodity charge for
2 July 1, 2022 rates was not yet approved by the Board. Any differences between the
3 applied for and Board approved gas supply commodity charge for Enbridge will be
4 reflected in ENGLP's next QRAM application and evidence.

5

6 Local Production (A)

7 As noted above, ENGLP no longer purchases any premium priced gas as the contract for
8 this gas expired at the end of September, 2020.

9

10 Local Production (B)

11 As noted above, the contract that covered the volumes under both Local Production (A)
12 and Local Production (B) expired at the end of September, 2020. Further, as noted above
13 in the Local Production (B) section of Historical Gas Costs, ENGLP entered into an
14 Amending Agreement to this gas purchase contract for this gas based on a pricing
15 mechanism similar to that paid for Local Production (C).

16

17 For volumes purchased for July, 2022 through June, 2023, and as noted above under
18 Historical Gas Costs, the commodity rate forecast for this gas has been forecast based on
19 both the difference in the energy content of the gas purchased from Lagasco relative to
20 that of the gas delivered by Enbridge, and the sum of the Enbridge total gas supply
21 commodity charge and the Board approved delivery commodity charge paid to Enbridge.
22 These charges are found in Schedule "A" to the Enbridge Union South rate schedules and
23 in Enbridge's M9 rate schedule, respectively. A 5% discount is applied to the total gas
24 supply commodity charge (inclusive of commodity rate adjustments) from Enbridge for
25 all gas delivered to ENGLP.

26

27 This price is shown on Schedule 6 in the July, 2022 through June, 2023 columns in the
28 row labelled Local Production (B). The discount applied to the Enbridge total gas supply
29 commodity charge results in lower costs for ENGLP's system gas customers. If the
30 production from these wells, which are located within ENGLP's distribution franchise

1 area were curtailed, this locally produced gas would need to be replaced with additional
2 supplies from Enbridge which would result in a higher gas commodity cost and higher
3 delivery charges paid to Enbridge. It may also result in a higher demand charge paid to
4 Enbridge.

5
6 The inclusion of the Enbridge delivery commodity charge in the cost of the gas reflects
7 the fact that the Local Production (B) gas, which is produced in the ENGLP franchise
8 area, results in a direct reduction of the delivery commodity charge paid to Enbridge of
9 the same amount as that paid to the local producer.

10 11 Local Production (C)

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

26 27 Other Forecast Assumptions

28 The heat value used to convert GJ to m^3 is $39.12 \text{ GJ}/10^3 \text{ m}^3$ for gas delivered from
29 Enbridge. This is consistent with the figure used by Enbridge in their current QRAM
30 application. It is found in Exhibit E, Tab 2, Schedule 1 in EB-2022-0150, at Note 1 and

1 also noted in paragraph 4 of Exhibit D, Tab 2, Schedule 1. ENGLP uses this conversion
2 factor to calculate the cost in \$/GJ and for the pricing of the Local Production (B) gas as
3 well as for the Local Production (C) gas.

4
5 Beginning in December, 2019, ENGLP required the use of a heat value in the pricing of
6 the gas purchased from Local Production (C), as noted above. The heat value used to
7 convert GJ to m³ is forecast at 38.87 GJ/10³ m³ for gas delivered from Lagasco related to
8 both the Local Production (C) and the Local Production (B) gas beginning July 1, 2021.
9 This figure is representative of the actual heat values shown in Schedule 4. Both the
10 Enbridge and Lagasco heat value forecasts are shown in Schedule 7.

11 12 **E2. FORECAST GAS COSTS BASED ON ENBRIDGE ALTERNATE** 13 **RATE MITIGATION APPROACH**

14 ENGLP's forecast gas costs for the July, 2022 through June, 2023 period, by source of
15 supply, are shown in Schedule 12 in \$/GJ. These prices are also shown in the middle
16 section of Schedule 11 in \$/m³. The bottom section of Schedule 11 shows the
17 composition of the total system gas costs. The conversion factor used to convert \$/m³ to
18 \$/GJ is based on the heat values used by Enbridge in their calculation of ENGLP's
19 Banked Gas Account balances. These conversion factors are shown in Schedule 12. The
20 costs shown are based on both the estimated prices to be paid and the estimated volumes
21 to be purchased.

22
23 Forecast gas prices for each of the sources of supply for the July, 2022 through June,
24 2023 period are described below.

25 26 Enbridge Gas Inc. System Gas Pricing

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

29

1 The price forecast for this gas reflects Enbridge's QRAM application in EB-2022-0150
2 dated June 3, 2022, where the gas supply commodity charge based on the Alternate Rate
3 Mitigation Approach has been forecast as \$0.273380 per m³ and is shown in the Enbridge
4 Gas line on ENGLP's Schedule 11 and in \$/GJ on Schedule 12. The \$0.273380 per m³
5 figure is taken from Enbridge's EB-2022-0150 application on line 4 in Exhibit E, Tab 3,
6 Schedule 7, Appendix A, page 6 of 17. This is Enbridge's Total Gas Supply Commodity
7 Charge for Utility Sales in the Union South operating area under their Alternate Rate
8 Mitigation Approach.

9

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

13

14 At the time this application was prepared the Enbridge gas supply commodity charge for
15 July 1, 2022 rates was not yet approved by the Board. Any differences between the
16 applied for and Board approved gas supply commodity charge for Enbridge will be
17 reflected in ENGLP's next QRAM application and evidence.

18

19 Local Production (A)

20 As noted above, ENGLP no longer purchases any premium priced gas as the contract for
21 this gas expired at the end of September, 2020.

22

23 Local Production (B)

24 As noted above, the contract that covered the volumes under both Local Production (A)
25 and Local Production (B) expired at the end of September, 2020. Further, as noted above
26 in the Local Production (B) section of Historical Gas Costs, ENGLP entered into an
27 Amending Agreement to this gas purchase contract for this gas based on a pricing
28 mechanism similar to that paid for Local Production (C).

29

1 For volumes purchased for July, 2022 through June, 2023, and as noted above under
2 Historical Gas Costs, the commodity rate forecast for this gas has been forecast based on
3 both the difference in the energy content of the gas purchased from Lagasco relative to
4 that of the gas delivered by Enbridge, and the sum of the Enbridge total gas supply
5 commodity charge and the Board approved delivery commodity charge paid to Enbridge.
6 These charges are found in Schedule “A” to the Enbridge Union South rate schedules and
7 in Enbridge’s M9 rate schedule, respectively. A 5% discount is applied to the total gas
8 supply commodity charge (inclusive of commodity rate adjustments) from Enbridge for
9 all gas delivered to ENGLP.

10
11 This price is shown on Schedule 6 in the July, 2022 through June, 2023 columns in the
12 row labelled Local Production (B). The discount applied to the Enbridge total gas supply
13 commodity charge results in lower costs for ENGLP’s system gas customers. If the
14 production from these wells, which are located within ENGLP’s distribution franchise
15 area were curtailed, this locally produced gas would need to be replaced with additional
16 supplies from Enbridge which would result in a higher gas commodity cost and higher
17 delivery charges paid to Enbridge. It may also result in a higher demand charge paid to
18 Enbridge.

19
20 The inclusion of the Enbridge delivery commodity charge in the cost of the gas reflects
21 the fact that the Local Production (B) gas, which is produced in the ENGLP franchise
22 area, results in a direct reduction of the delivery commodity charge paid to Enbridge of
23 the same amount as that paid to the local producer.

24 25 Local Production (C)

26 As noted above under Historical Gas Costs, the commodity rate for this gas is calculated
27 based on both the difference in the energy content of the gas purchased from Lagasco
28 relative to that of the gas delivered by Enbridge, and the Enbridge total gas supply
29 commodity charge. This charge is found in Schedule “A” to the Enbridge Union South
30 rate schedules. A 5% discount is applied to the total gas supply commodity charge from

1 Enbridge for all gas delivered to ENGLP up to the firm contract demand of 1,200 GJ/day.
2 Any gas taken on any day in excess of the 1,200 GJ/day is paid at the Enbridge total gas
3 supply commodity charge for Union South, with no discount applied. ENGLP has not
4 forecast any excess gas to be purchased since the gas supply plan assumes normal
5 weather conditions and is based on the firm contract demand that underlies the Local
6 Production (C) volumes included in the plan. Any such excess volumes would be small
7 relative to the total volumes and the price differential is not large enough to have a
8 significant impact on the overall average monthly forecast of the price of the total system
9 gas purchases.

11 Other Forecast Assumptions

12 The heat value used to convert GJ to m³ is 39.12 GJ/10³ m³ for gas delivered from
13 Enbridge. This is consistent with the figure used by Enbridge in their current QRAM
14 application. It is found in Exhibit E, Tab 2, Schedule 1 in EB-2022-0150, at Note 1 and
15 also noted in paragraph 4 of Exhibit D, Tab 2, Schedule 1. ENGLP uses this conversion
16 factor to calculate the cost in \$/GJ and for the pricing of the Local Production (B) gas as
17 well as for the Local Production (C) gas.

19 Beginning in December, 2019, ENGLP required the use of a heat value in the pricing of
20 the gas purchased from Local Production (C), as noted above. The heat value used to
21 convert GJ to m³ is forecast at 38.87 GJ/10³ m³ for gas delivered from Lagasco related to
22 both the Local Production (C) and the Local Production (B) gas beginning July 1, 2021.
23 This figure is representative of the actual heat values shown in Schedule 4. Both the
24 Enbridge and Lagasco heat value forecasts are shown in Schedule 7.

26 **F. PGCVA, GPRA & GAS COMMODITY RATE CHANGES**

27 Historical PGCVA Balance

28 The projected June, 2022 balance in the PGCVA is a debit of \$10,994.84 including a
29 debit of \$66,800.01 in accumulated interest, based on the Board's prescribed interest rate.
30 This estimate is based on actual and forecasted purchases and the balance brought

1 forward from June, 2021. The PGCVA debit amounts to a charge of approximately
2 \$0.77 for a typical residential customer consuming approximately 2,034.8 m³ per year.
3 These figures are shown on Schedule 2.

4
5 **F1. RATE CHANGES BASED ON ENBRIDGE PREFERRED RATE**
6 **MITIGATION APPROACH**

7
8 **PGCVA RATE CHANGE**

9 ENGLP proposes to adjust the reference price effective July 1, 2022 based on the
10 projected accumulated balance in the PGCVA as of the end of June, 2022 and the
11 forecasted cost of gas over the twelve-month period beginning July 1, 2022 and ending
12 June, 2023 based on the Enbridge Preferred Rate Mitigation Approach. The reference
13 price is set such that the projected PGCVA balance at the end of June, 2023 is close to
14 zero.

15
16 ENGLP's proposal will clear the PGCVA balance on a prospective basis, eliminating the
17 need for retroactive adjustments. This is consistent with ENGLP's past proposals in
18 QRAM applications, which have been accepted by the Board.

19
20 ENGLP proposes to change the reference price by \$0.119245 per m³ effective July 1,
21 2022, from \$0.199018 per m³ to \$0.309263 per m³. The derivation of this rate is shown
22 in Schedule 5. This is the reference price required to bring the PGCVA balance close to
23 zero on a twelve-month forecast basis. This change will also be reflected in the gas
24 commodity charge.

25
26 **GAS PURCHASE REBALANCING ACCOUNT RATE CHANGE**

27 The impact on the GPRA of the proposed July, 2022 PGCVA reference price change
28 from \$0.199018 per m³ to \$0.309263 per m³ is a credit of \$1,066,579.55, as shown on
29 Schedule 8. This figure is shown in column (J) of Schedule 8 on the June, 2022 line. It
30 is calculated as the change in the PGCVA reference price between June, 2022 and July,

1 2022, multiplied by the cumulative inventory balance at the end of June, 2022. This
2 cumulative inventory balance is the sum of the actual monthly inventory balances for
3 April, 2022 and forecasts for the two subsequent months. These forecasts will be
4 replaced with actual balances for these months in subsequent QRAM applications as this
5 information becomes available. As well, the monthly inventory balances are based on a
6 deemed level of unaccounted for gas (“UFG”) of the total throughput volume, as shown
7 in column (E) of Schedule 8. The 0.0% is the Board approved level of UFG from EB-
8 2018-0336.

9
10 ENGLP proposes to adjust the gas commodity charge effective July 1, 2022 based on the
11 projected accumulated balance in the GPRA. The adjustment to the gas commodity
12 charge will be set such that the projected GPRA balance at the end of June, 2023 will be
13 close to zero. The rate required to achieve this is shown in column (K) on Schedule 8.
14 Column (P) shows the reduction of the inventory revaluation balance based on this rate of
15 \$(0.043605) per m³ over the July, 2022 through June, 2023 period.

16
17 ENGLP’s proposal will clear the GPRA balance on a prospective basis, eliminating the
18 need for retroactive adjustments. This is consistent with ENGLP’s proposal for the
19 continued prospective clearance of the PGCVA. This change will also be reflected in the
20 gas commodity charge.

21 22 **GAS COMMODITY CHARGE**

23 The system gas supply cost of \$0.000435 per m³ will be maintained at the level approved
24 in EB-2018-0336. This figure represents the incremental costs over and above the
25 commodity and transportation costs that form the PGCVA reference price to the gas
26 supply function. These incremental costs are portions of administrative and general
27 expenses, regulatory and consulting fees associated with the QRAM applications, return
28 on rate base (working cash allowance related to gas commodity) and income taxes. This
29 functionalization was approved in EB-2018-0336.

30

1 The change in the gas commodity charge proposed for July 1, 2022 is summarized below.
 2 The change in the gas commodity charge reflects both the change in the PGCVA
 3 reference price and the change in the recovery of the inventory revaluation amount in the
 4 GPRA that result from the Enbridge Preferred Rate Mitigation Approach. It also
 5 reflects the approved system gas supply cost. The change in the gas commodity charge is
 6 as follows:

	EB-2022-0099 April 1, 2022	Proposed July 1, 2022	Difference
9 PGCVA Reference Price	\$0.199018	\$0.309263	\$0.110245
10 GPRA Recovery	\$(0.011391)	\$(0.043605)	\$(0.032214)
11 System Gas Supply Cost	<u>\$0.000435</u>	<u>\$0.000435</u>	<u>\$0.000000</u>
12 Gas Commodity Charge	\$0.188062	\$0.266093	\$0.078031

13
 14 **F2. RATE CHANGES BASED ON ENBRIDGE ALTERNATE RATE**
 15 **MITIGATION APPROACH**

16
 17 **PGCVA RATE CHANGE**

18 ENGLP proposes to adjust the reference price effective July 1, 2022 based on the
 19 projected accumulated balance in the PGCVA as of the end of June, 2022 and the
 20 forecasted cost of gas over the twelve-month period beginning July 1, 2022 and ending
 21 June, 2023 based on the Enbridge Alternate Rate Mitigation Approach. The reference
 22 price is set such that the projected PGCVA balance at the end of June, 2023 is close to
 23 zero.

24
 25 ENGLP's proposal will clear the PGCVA balance on a prospective basis, eliminating the
 26 need for retroactive adjustments. This is consistent with ENGLP's past proposals in
 27 QRAM applications, which have been accepted by the Board.

28
 29 ENGLP proposes to change the reference price by \$0.070502 per m³ effective July 1,
 30 2022, from \$0.199018 per m³ to \$0.269520 per m³. The derivation of this rate is shown
 31 in Schedule 10. This is the reference price required to bring the PGCVA balance close to

1 zero on a twelve-month forecast basis. This change will also be reflected in the gas
2 commodity charge.

3
4 **GAS PURCHASE REBALANCING ACCOUNT RATE CHANGE**

5 The impact on the GPRA of the proposed July, 2022 PGCVA reference price change
6 from \$0.199018 per m³ to \$0.269520 per m³ is a credit of \$682,080.74, as shown on
7 Schedule 13. This figure is shown in column (J) of Schedule 13 on the June, 2022 line.
8 It is calculated as the change in the PGCVA reference price between June, 2022 and July,
9 2022, multiplied by the cumulative inventory balance at the end of June, 2022. This
10 cumulative inventory balance is the sum of the actual monthly inventory balances for
11 April, 2022 and forecasts for the two subsequent months. These forecasts will be
12 replaced with actual balances for these months in subsequent QRAM applications as this
13 information becomes available. As well, the monthly inventory balances are based on a
14 deemed level of unaccounted for gas (“UFG”) of the total throughput volume, as shown
15 in column (E) of Schedule 13. The 0.0% is the Board approved level of UFG from EB-
16 2018-0336.

17
18 ENGLP proposes to adjust the gas commodity charge effective July 1, 2022 based on the
19 projected accumulated balance in the GPRA. The adjustment to the gas commodity
20 charge will be set such that the projected GPRA balance at the end of June, 2023 will be
21 close to zero. The rate required to achieve this is shown in column (K) on Schedule 13.
22 Column (P) shows the reduction of the inventory revaluation balance based on this rate of
23 \$(0.031735) per m³ over the July, 2022 through June, 2023 period.

24
25 ENGLP’s proposal will clear the GPRA balance on a prospective basis, eliminating the
26 need for retroactive adjustments. This is consistent with ENGLP’s proposal for the
27 continued prospective clearance of the PGCVA. This change will also be reflected in the
28 gas commodity charge.

29

30

GAS COMMODITY CHARGE

The system gas supply cost of \$0.000435 per m³ will be maintained at the level approved in EB-2018-0336. This figure represents the incremental costs over and above the commodity and transportation costs that form the PGCVA reference price to the gas supply function. These incremental costs are portions of administrative and general expenses, regulatory and consulting fees associated with the QRAM applications, return on rate base (working cash allowance related to gas commodity) and income taxes. This functionalization was approved in EB-2018-0336.

The change in the gas commodity charge proposed for July 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 that result from the Enbridge Preferred Rate Mitigation Approach. It also reflects the approved system gas supply cost. The change in the gas commodity charge is as follows:

	EB-2022-0099 <u>April 1, 2022</u>	Proposed <u>July 1, 2022</u>	<u>Difference</u>
PGCVA Reference Price	\$0.199018	\$0.269520	\$0.070502
GPRA Recovery	\$(0.011391)	\$(0.031735)	\$(0.020344)
System Gas Supply Cost	<u>\$0.000435</u>	<u>\$0.000435</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.188062	\$0.238220	\$0.050158

G. IMPACT ON CUSTOMERS & RATE MITIGATION

As noted above, Enbridge has proposed two rate mitigation options in its EB-2022-0150 QRAM application for the Board's consideration.

Also as described above, all of the ENGLP gas purchases are priced at the Enbridge total gas supply commodity charge or a discount to that rate. Combined with a small debit in the PGCVA at the end of June, 2022 and a change in the GPRA recovery rate, and a reduction in delivery related rate riders during the July, 2022 through June, 2023 period, the net result in an increase to both the gas commodity portion of the bill and the total gas bill based on both of the Enbridge options provided in EB-2022-0150. The following

1 sections detail the impact on a typical residential customer of ENGLP of the two
2 approaches provided by Enbridge.

3
4 **G1. IMPACT ON CUSTOMERS AND NEED FOR RATE**
5 **MITIGATION BASED ON ENBRIDGE PREFERRED RATE**
6 **MITIGATION APPROACH**

7 As shown in the Annual Bill Impact section of Schedule 9, the annual bill impact on a
8 typical residential customer of ENGLP consuming 1,780 m³ per year, is an increase in the
9 gas commodity portion of the bill of \$138.90 or 41.5% and the increase in the total bill,
10 which reflects a reduction in delivery-related riders, is an increase of \$122.26 or 12.0%.

11
12 ENGLP submits that if the Board approves the Enbridge Preferred Rate Mitigation
13 Approach in EB-2022-0150, then no rate mitigation should be required for ENGLP.
14 While the increase in the commodity rate is above the Board's 25% guideline, and the
15 total bill impact is above the Board's 10% guideline, ENGLP notes that these percentages
16 are guidelines only. At page 8 of the March 24, 2022 EB-2022-0089 Decision and Rate
17 Order the Board stated:

18 *“An expected increase of 25% in the commodity portion of the customer’s bill*
19 *is the trigger for communication to the OEB in advance of filing an*
20 *application, and the filing of a rate impact mitigation plan with the*
21 *application.¹³ However, this 25% on the commodity is not a cap and the*
22 *OEB will consider the total bill impact in determining whether additional*
23 *mitigation is warranted. The OEB uses a 10% total bill impact extensively*
24 *for the electricity sector, and considers that a reasonable target for the*
25 *natural gas sector as well. This threshold is referenced in the OEB’s*
26 *Handbook for Utility Rate Applications applicable to all rate-regulated*
27 *utilities.*

28
29 *However, the OEB also does not consider the 10% total bill impact a cap*
30 *but rather a point at which the OEB will consider adopting mitigation*
31 *measures. The OEB considers it reasonable for commodity prices to increase*
32 *by more than 25% if the bill increase is less than 10% in order to preserve as*
33 *much of the market price signal as reasonable. This allows for flexibility on a*
34 *case-by-case basis as necessity and circumstances deem appropriate.”*
35 *(Emphasis added)*
36

1 While the increase for a typical ENGLP residential customer is more than 10%, the
2 difference between the proposed 12% increase and a rate mitigation measure to limit the
3 total bill increase to 10% is less than \$1.70 per month for a residential customer.

4
5 ENGLP also notes that the total bill increases noted by Enbridge in Table 4 of Exhibit A,
6 Tab 2, Schedule 2 in EB-2022-0150 for a typical Enbridge residential customer are
7 significantly higher than the \$122.26 noted above. In the Union South rate zone, the
8 increase is \$161.87 or 14.9%, while in the other rate zones, the increases range from
9 \$181.39 to \$198.28 and from 14.4% to 15.0%, all of which are higher than that proposed
10 by ENGLP.

11
12 **G2. IMPACT ON CUSTOMERS AND NEED FOR RATE**
13 **MITIGATION BASED ON ENBRIDGE ALTERNATE RATE**
14 **MITIGATION APPROACH**

15 As shown in the Annual Bill Impact section of Schedule 14, the annual bill impact on a
16 typical residential customer of ENGLP consuming 1,780 m³ per year, is an increase in the
17 gas commodity portion of the bill of \$89.28 or 26.7% and the increase in the total bill,
18 which reflects a reduction in delivery-related riders, is an increase of \$72.65 or 7.1%.

19
20 ENGLP submits that if the Board approves the Enbridge Alternate Rate Mitigation
21 Approach in EB-2022-0150, then no rate mitigation should be required for ENGLP.
22 While the increase in the commodity rate is slightly above the Board's 25% guideline, the
23 total bill impact is significantly below the Board's 10% guideline.

24
25 **H. SUMMARY**

26 ENGLP proposes to change the reference price, the gas purchase rebalancing account rate
27 and the gas supply charge based on which of the two Enbridge rate mitigation options
28 approved by the Board.

29

H1. ENBRIDGE PREFERRED RATE MITIGATION APPROACH

If the Board approves the Enbridge Preferred Rate Mitigation Approach, ENGLP proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.199018 by \$0.110245 to \$0.309263 per m³ effective July 1, 2022. Appendix B contains the accounting entries related to the PGCVA.

ENGLP also proposes to change the gas supply charge from \$0.188062 to \$0.266093 per m³ effective July 1, 2022. This change reflects the change in the PGCVA reference price, as described above, the change related to the recovery of the GPRA balance, also as described above, and the continuation of the EB-2018-0336 approved system gas supply cost. These changes apply to all system gas customers served under Rates 1, 2, 3, 4, 5 and 6.

Schedule 9 provides a bill comparison showing the impact of the changes in the proposed gas commodity charge on a year over year basis for the appropriate quarter as well as the annual bill impact of the most recent quarterly change for an average residential customer. The annual bill impact related to the change in the commodity charges on a customer consuming approximately 1,780.0 m³ is an increase of \$138.90, or 41.5%. The annual total bill impact is an increase of \$122.26 or 12.0%, including rate riders. The average use figure of 1,780.0 m³ is consistent with the bill impacts in ENGLP's 2020-2024 Incentive Rate-setting Mechanism in EB-2018-0336 and reflects the Board's expectation that QRAM applications would provide bill impacts based on this level for a typical residential customer.

H2. ENBRIDGE ALTERNATE RATE MITIGATION APPROACH

If the Board approves the Enbridge Alternate Rate Mitigation Approach, ENGLP proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.199018 by \$0.070502 to \$0.269520 per m³

1 effective July 1, 2022. Appendix B contains the accounting entries related to the
2 PGCVA.

3
4 ENGLP also proposes to change the gas supply charge from \$0.188062 to \$0.238220 per
5 m³ effective July 1, 2022. This change reflects the change in the PGCVA reference price,
6 as described above, the change related to the recovery of the GPRA balance, also as
7 described above, and the continuation of the EB-2018-0336 approved system gas supply
8 cost. These changes apply to all system gas customers served under Rates 1, 2, 3, 4, 5
9 and 6.

10
11 Schedule 14 provides a bill comparison showing the impact of the changes in the
12 proposed gas commodity charge on a year over year basis for the appropriate quarter as
13 well as the annual bill impact of the most recent quarterly change for an average
14 residential customer. The annual bill impact related to the change in the commodity
15 charges on a customer consuming approximately 1,780.0 m³ is an increase of \$89.28, or
16 26.7%. The annual total bill impact is an increase of \$72.65 or 7.1%, including rate
17 riders. The average use figure of 1,780.0 m³ is consistent with the bill impacts in
18 ENGLP's 2020-2024 Incentive Rate-setting Mechanism in EB-2018-0336 and reflects
19 the Board's expectation that QRAM applications would provide bill impacts based on
20 this level for a typical residential customer.

21 22 **I. PROPOSED RATE SCHEDULES**

23 The proposed rate schedules are attached as Appendix A. The proposed rate schedules in
24 Appendix A reflect the changes effective July 1, 2022 related to this QRAM application
25 and are based on the Enbridge Preferred Rate Mitigation Approach.

26
27 If the Board approves the Enbridge Alternate Rate Mitigation Approach, then the rate
28 schedules included in Appendix A remain unchanged, with the exception of Schedule A –
29 Gas Supply Charges. A version of Schedule A – Gas Supply Charges that reflects the
30 Enbridge Alternate Rate Mitigation Approach has been included in Appendix D.

1 **J. CUSTOMER NOTICES**

2 The proposed customer notices are found in Appendix C assuming the Board approves
3 the Enbridge Preferred Rate Mitigation Approach. If the Board approves the Enbridge
4 Alternate Rate Mitigation Approach, the corresponding customer notices are found in
5 Appendix E.

6

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2021 TO JUNE, 2022

Act/Fcst	Month	Purchase Cost (\$'s)	M*3	Actual/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
Actual	July	67,671	540,513	0.125198	0.130605	0.005407	2,922.45	49,706.43	22.22	-67,127.82	2,944.67	-17,421.39	49.9	0.57%
Actual	August	88,596	706,004	0.125490	0.130605	0.005115	3,611.27	53,317.70	23.61	-67,104.21	3,634.88	-13,786.51	48.7	0.57%
Actual	September	110,782	867,782	0.127661	0.130605	0.002944	2,555.15	55,872.85	25.33	-67,078.88	2,580.48	-11,206.03	50.3	0.57%
Actual	October	370,875	2,216,536	0.167322	0.168906	0.001584	3,511.19	59,384.04	26.54	-67,052.34	3,537.73	-7,668.30	92.1	0.57%
Actual	November	665,021	3,938,963	0.168832	0.168906	0.000074	292.96	59,677.00	28.21	-67,024.13	321.17	-7,347.13	230.4	0.57%
Actual	December	592,531	3,460,888	0.171208	0.168906	(0.002302)	-7,966.69	51,710.31	28.35	-66,995.78	-7,938.34	-15,285.47	187.1	0.57%
Actual	January	915,755	5,136,245	0.178293	0.177732	(0.000561)	-2,879.56	48,830.75	24.56	-66,971.22	-2,855.00	-18,140.47	543.5	0.57%
Actual	February	743,871	4,175,398	0.178156	0.177732	(0.000424)	-1,768.72	47,062.03	23.19	-66,948.03	-1,745.53	-19,886.00	246.8	0.57%
Actual	March	626,652	3,523,050	0.177872	0.177732	(0.000140)	-492.81	46,569.22	22.35	-66,925.68	-470.46	-20,356.46	247.8	0.57%
Actual	April	466,558	2,358,171	0.197848	0.199018	0.001170	2,760.16	49,329.38	39.58	-66,886.10	2,799.74	-17,556.72	211.7	1.02%
Forecast	May	254,112	1,290,000	0.196986	0.199018	0.002032	2,621.28	51,950.66	41.93	-66,844.17	2,663.21	-14,893.51	79.5	1.02%
Forecast	June	<u>140,340</u>	<u>724,532</u>	<u>0.193698</u>	0.199018	0.005320	<u>3,854.51</u>	<u>55,805.17</u>	<u>44.16</u>	<u>-66,800.01</u>	<u>3,898.67</u>	<u>-10,994.84</u>	<u>47.0</u>	1.02%
	Total	5,042,764	28,938,082	0.174260			9,021.19	55,805.17	350.03	-66,800.01	9,371.22	-10,994.84	2,034.8	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.000380)
Forecast Average Residential Consumption per Customer 2,034.8 M*3
Estimated Impact on Average Residential Customer \$0.77 Customer Charge

(1) Includes balance of 46,783.98 as of June, 2021
(2) Includes balance of -67,150.04 as of June, 2021

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2021 TO JUNE, 2022

	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	83,282	85,649	59,926	64,040	68,829	75,675	70,125	75,140	70,125	67,674	52,111	51,416	823,992
Local Production (C)	421,923	540,232	734,288	910,307	1,101,645	941,738	1,233,262	956,378	835,578	815,501	478,392	462,960	9,432,204
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	<u>35,307</u>	<u>80,124</u>	<u>73,568</u>	<u>1,242,190</u>	<u>2,768,489</u>	<u>2,443,474</u>	<u>3,832,858</u>	<u>3,143,880</u>	<u>2,617,347</u>	<u>1,474,996</u>	<u>759,497</u>	<u>210,156</u>	<u>18,681,885</u>
Total	540,513	706,004	867,782	2,216,536	3,938,963	3,460,888	5,136,245	4,175,398	3,523,050	2,358,171	1,290,000	724,532	28,938,082
<u>Price (\$/m3)</u>													
Local Production (A)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Local Production (B)	0.127153	0.127154	0.127153	0.164965	0.164965	0.164965	0.174212	0.174212	0.174212	0.194298	0.193056	0.193056	0.193056
Local Production (C)	0.124220	0.124220	0.127240	0.161814	0.162418	0.171004	0.171574	0.170663	0.169856	0.191503	0.190219	0.190219	0.190219
Parkway Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Western Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Enbridge Gas	0.132272	0.132272	0.132272	0.171480	0.171480	0.171480	0.180529	0.180529	0.180529	0.201518	0.201518	0.201518	0.201518
<u>Total Gas Cost (\$)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	10,590	10,891	7,620	10,564	11,354	12,484	12,217	13,090	12,217	13,149	10,060	9,926	134,161
Local Production (C)	52,411	67,108	93,431	147,300	178,927	161,041	211,596	163,219	141,928	156,171	90,999	88,064	1,552,194
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	4,670	10,598	9,731	213,011	474,740	419,007	691,942	567,562	472,507	297,238	153,052	42,350	3,356,409
TCPL Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	67,671	88,596	110,782	370,875	665,021	592,531	915,755	743,871	626,652	466,558	254,112	140,340	5,042,764

ENBRIDGE PREFERRED RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

**PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2022 TO JUNE, 2023
(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
July	207,151	679,215	0.304986	0.309263	0.004277	2,905.00	58,710.17	47.43	-66,752.58	2,952.43	-8,042.41	36.3	1.02%
August	275,786	897,942	0.307131	0.309263	0.002132	1,914.41	60,624.58	49.90	-66,702.68	1,964.31	-6,078.10	37.9	1.02%
September	401,993	1,320,132	0.304510	0.309263	0.004753	6,274.59	66,899.17	51.53	-66,651.15	6,326.12	248.02	51.8	1.02%
October	867,370	2,820,244	0.307552	0.309263	0.001711	4,825.44	71,724.61	56.86	-66,594.29	4,882.30	5,130.32	105.1	1.02%
November	1,366,430	4,409,109	0.309911	0.309263	(0.000648)	-2,857.10	68,867.51	60.97	-66,533.32	-2,796.13	2,334.19	179.6	1.02%
December	1,348,682	4,354,244	0.309740	0.309263	(0.000477)	-2,076.97	66,790.54	58.54	-66,474.78	-2,018.43	315.76	285.1	1.02%
January	1,585,535	5,109,125	0.310334	0.309263	(0.001071)	-5,471.87	61,318.67	56.77	-66,418.01	-5,415.10	-5,099.34	314.6	1.02%
February	1,382,546	4,456,931	0.310201	0.309263	(0.000938)	-4,180.60	57,138.07	52.12	-66,365.89	-4,128.48	-9,227.82	259.7	1.02%
March	1,209,449	3,910,397	0.309291	0.309263	(0.000028)	-109.49	57,028.58	48.57	-66,317.32	-60.92	-9,288.74	218.1	1.02%
April	788,655	2,552,327	0.308994	0.309263	0.000269	686.58	57,715.16	48.47	-66,268.85	735.05	-8,553.69	165.3	1.02%
May	404,370	1,317,540	0.306913	0.309263	0.002350	3,096.22	60,811.38	49.06	-66,219.79	3,145.28	-5,408.41	79.5	1.02%
June	<u>227,586</u>	<u>753,195</u>	<u>0.302160</u>	0.309263	0.007103	<u>5,349.94</u>	<u>66,161.32</u>	<u>51.69</u>	<u>-66,168.10</u>	<u>5,401.63</u>	<u>-6.78</u>	<u>47.0</u>	1.02%
Total	10,065,553	32,580,401	0.308945			10,356.15	66,161.32	631.91	-66,168.10	10,988.06	-6.78	1,780.0	

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

(\$0.000000)

Forecast Average Residential Consumption per Customer

1,780.0 M*3

Estimated Impact on Average Residential Customer

\$0.00 Customer Charge

(1) Includes June, 2022 year-to-date balance of

\$55,805.17 (See Schedule 2)

(2) Includes June, 2022 year-to-date balance of

(\$66,800.01) (See Schedule 2)

ENBRIDGE PREFERRED RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2022 TO JUNE, 2023

	<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>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	50,731	50,054	49,387	48,728	48,079	47,438	46,805	46,181	45,565	44,958	44,358	43,767	566,051
Local Production (C)	299,832	299,832	655,920	956,784	925,920	956,784	956,784	864,192	956,784	655,920	478,392	462,960	8,470,104
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	<u>328,652</u>	<u>548,056</u>	<u>614,825</u>	<u>1,814,732</u>	<u>3,435,110</u>	<u>3,350,022</u>	<u>4,105,536</u>	<u>3,546,558</u>	<u>2,908,048</u>	<u>1,851,449</u>	<u>794,790</u>	<u>246,468</u>	<u>23,544,246</u>
Total	679,215	897,942	1,320,132	2,820,244	4,409,109	4,354,244	5,109,125	4,456,931	3,910,397	2,552,327	1,317,540	753,195	32,580,401
<u>Price (\$/m3)</u>													
Local Production (A)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Local Production (B)	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375	0.300375
Local Production (C)	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159	0.296159
Parkway Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Western Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Enbridge Gas	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751	0.313751
<u>Total Gas Cost (\$)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	15,238	15,035	14,835	14,637	14,442	14,249	14,059	13,872	13,687	13,504	13,324	13,146	170,027
Local Production (C)	88,798	88,798	194,256	283,360	274,219	283,360	283,360	255,938	283,360	194,256	141,680	137,110	2,508,495
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	103,115	171,953	192,902	569,374	1,077,769	1,051,073	1,288,116	1,112,736	912,403	580,894	249,366	77,330	7,387,031
TCPL Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	207,151	275,786	401,993	867,370	1,366,430	1,348,682	1,585,535	1,382,546	1,209,449	788,655	404,370	227,586	10,065,553

ENBRIDGE PREFERRED RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

JULY, 2021 THROUGH JUNE, 2023

<u>Month</u>	<u>Purchase Volume (M³)</u> A	<u>Throughput Volume (M³)</u> B	<u>Direct Purchase Volume (M³)</u> C	<u>System Sales Volume (M³)</u> D=B-C	<u>Deemed U.F.G. (M³)</u> E	<u>System Sales + U.F.G. (M³)</u> F=D+E	<u>Monthly Inventory Balance (M³)</u> G=A-F	<u>Cumulative Inventory (M³)</u> H (1)	<u>Reference Price (\$/M³)</u> I	<u>Inventory Revaluation (\$/s)</u> J	<u>Inventory Rate (\$/M³)</u> K	<u>Inventory Recovery (\$/s)</u> L=KxD	<u>Y-T-D GPRA Balance (\$/s)</u> M (2)	<u>Monthly Interest (\$/s)</u> N	<u>Y-T-D Interest (\$/s)</u> O (3)	<u>Total Y-T-D GPRA (\$/s)</u> P=M+O	<u>Monthly Interest Rate</u>
July	540,513	6,267,935	5,606,285	661,650	0	661,650	-121,138	8,731,572	0.130605	0.00	0.002017	1,334.55	-54,703.91	-26.62	-7,013.17	-61,717.08	0.57%
August	706,004	5,710,282	5,104,793	605,489	0	605,489	100,515	8,832,087	0.130605	0.00	0.002017	1,221.27	-53,482.64	-25.98	-7,039.15	-60,521.79	0.57%
September	867,782	6,149,083	5,499,029	650,054	0	650,054	217,728	9,049,815	0.130605	346,616.96	0.002017	1,311.16	294,445.48	-25.40	-7,064.55	287,380.93	0.57%
October	2,216,536	6,458,571	4,732,620	1,725,951	0	1,725,951	490,585	9,540,400	0.168906	0.00	(0.008798)	-15,184.92	279,260.56	139.86	-6,924.69	272,335.87	0.57%
November	3,938,963	10,075,458	6,080,290	3,995,168	0	3,995,168	-56,205	9,484,195	0.168906	0.00	(0.008798)	-35,149.49	244,111.07	132.65	-6,792.04	237,319.03	0.57%
December	3,460,888	9,048,851	5,610,302	3,438,549	0	3,438,549	22,339	9,506,534	0.168906	83,904.67	(0.008798)	-30,252.35	297,763.39	115.95	-6,676.09	291,087.30	0.57%
January	5,136,245	10,847,163	5,423,763	5,423,400	0	5,423,400	-287,155	9,219,379	0.177732	0.00	(0.008828)	-47,877.78	249,885.61	141.44	-6,534.65	243,350.96	0.57%
February	4,175,398	8,837,120	5,138,645	3,698,475	0	3,698,475	476,923	9,696,302	0.177732	0.00	(0.008828)	-32,650.14	217,235.47	118.70	-6,415.95	210,819.52	0.57%
March	3,523,050	8,746,129	5,691,263	3,054,866	0	3,054,866	468,184	10,164,486	0.177732	216,361.25	(0.008828)	-26,968.36	406,628.35	103.19	-6,312.76	400,315.59	0.57%
April	2,358,171	7,538,999	4,690,972	2,848,027	0	2,848,027	-489,856	9,674,630	0.199018	0.00	(0.011391)	-32,441.88	374,186.47	345.63	-5,967.13	368,219.34	1.02%
May	1,290,000	6,390,000	5,100,000	1,290,000	0	1,290,000	0	9,674,630	0.199018	0.00	(0.011391)	-14,694.39	359,492.08	318.06	-5,649.07	353,843.01	1.02%
June	724,532	5,764,532	5,040,000	724,532	0	724,532	0	9,674,630	0.199018	1,066,579.55	(0.011391)	-8,253.14	1,417,818.49	305.57	-5,343.50	1,412,474.99	1.02%
July	679,215	5,719,215	5,040,000	679,215	0	679,215	0	9,674,630	0.309263	0.00	(0.043605)	-29,617.17	1,388,201.32	1,205.15	-4,138.35	1,384,062.97	1.02%
August	897,942	5,937,942	5,040,000	897,942	0	897,942	0	9,674,630	0.309263	0.00	(0.043605)	-39,154.76	1,349,046.56	1,179.97	-2,958.38	1,346,088.18	1.02%
September	1,320,132	6,360,132	5,040,000	1,320,132	0	1,320,132	0	9,674,630	0.309263	0.00	(0.043605)	-57,564.36	1,291,482.20	1,146.69	-1,811.69	1,289,670.51	1.02%
October	2,820,244	8,070,244	5,250,000	2,820,244	0	2,820,244	0	9,674,630	0.309263	0.00	(0.043605)	-122,976.74	1,168,505.46	1,097.76	-713.93	1,167,791.53	1.02%
November	4,409,109	10,344,109	5,935,000	4,409,109	0	4,409,109	0	9,674,630	0.309263	0.00	(0.043605)	-192,259.20	976,246.26	993.23	279.30	976,525.56	1.02%
December	4,354,244	9,989,244	5,635,000	4,354,244	0	4,354,244	0	9,674,630	0.309263	0.00	(0.043605)	-189,866.81	786,379.45	829.81	1,109.11	787,488.56	1.02%
January	5,109,125	10,509,125	5,400,000	5,109,125	0	5,109,125	0	9,674,630	0.309263	0.00	(0.043605)	-222,783.40	563,596.05	668.42	1,777.53	565,373.58	1.02%
February	4,456,931	9,706,931	5,250,000	4,456,931	0	4,456,931	0	9,674,630	0.309263	0.00	(0.043605)	-194,344.48	369,251.57	479.06	2,256.59	371,508.16	1.02%
March	3,910,397	9,210,397	5,300,000	3,910,397	0	3,910,397	0	9,674,630	0.309263	0.00	(0.043605)	-170,512.86	198,738.71	313.86	2,570.45	201,309.16	1.02%
April	2,552,327	7,752,327	5,200,000	2,552,327	0	2,552,327	0	9,674,630	0.309263	0.00	(0.043605)	-111,294.22	87,444.49	168.93	2,739.38	90,183.87	1.02%
May	1,317,540	6,417,540	5,100,000	1,317,540	0	1,317,540	0	9,674,630	0.309263	0.00	(0.043605)	-57,451.33	29,993.16	74.33	2,813.71	32,806.87	1.02%
June	753,195	5,793,195	5,040,000	753,195	0	753,195	0	9,674,630	0.309263	0.00	(0.043605)	-32,843.07	-2,849.91	25.49	2,839.20	-10.71	1.02%

(1) Includes balance of 8,852,709 as of June, 2021
(2) Includes balance of -56,038.46 as of June, 2021
(3) Includes balance of -6,986.55 as of June, 2021

ENBRIDGE PREFERRED RATE MITIGATION APPROACH
EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jul-21 <u>EB-2021-0179</u>	Quarter Starting 01-Jul-22 <u>EB-2022-0173</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	126	126		
Monthly Charges	\$55.50	\$58.50	\$3.00	5.4%
Delivery Charges (1)	\$17.10	\$17.29	\$0.19	1.1%
Federal Carbon Charge	\$9.87	\$12.34	\$2.47	25.0%
Rate Riders	\$6.48	\$5.96	(\$0.52)	-8.0%
Total Commodity Charges	<u>\$16.77</u>	<u>\$33.53</u>	<u>\$16.76</u>	<u>100.0%</u>
Total Customer Charges	\$105.71	\$127.61	\$21.90	20.7%

ANNUAL BILL IMPACT

	01-Apr-22 <u>EB-2022-0099</u>	01-Jul-22 <u>EB-2022-0173</u>	\$ Change	Percent Change
Average Residential Consumption	1,780.0	1,780.0		
Monthly Charges	\$234.00	\$234.00	\$0.00	0.0%
Delivery Charges (1)	\$244.27	\$244.27	\$0.00	0.0%
Federal Carbon Charge	\$174.26	\$174.26	\$0.00	0.0%
Rate Riders	\$31.34	\$14.71	(\$16.63)	-53.1%
Total Commodity Charges	<u>\$334.75</u>	<u>\$473.65</u>	<u>\$138.90</u>	<u>41.5%</u>
Total Customer Charges	\$1,018.62	\$1,140.89	\$122.26	12.0%

RATES USED (2)

	01-Jul-21 <u>EB-2021-0179</u>	01-Apr-22 <u>EB-2022-0099</u>	01-Jul-22 <u>EB-2022-0173</u>
Monthly Charge	18.50	19.50	19.50
Delivery Charge	0.135701	0.137196	0.137196
Facility Carbon Charge	0.000052	0.000034	0.000034
Total Commodity Charge	0.133057	0.188062	0.266093
Federal Carbon Charge	0.078300	0.097900	0.097900
Rate Riders - \$/mth (3)	1.570000	1.740000	1.740000
Rate Riders - \$/m3 (4)	0.014037	0.005878	0.005878

(1) Delivery Charge includes Facility Carbon Charge

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

(3) Rate riders total \$1.74/month in July - December, \$0.06/month in January - March, \$0/month in April - June.

(4) Rate riders total \$0.005878/m3 in July - December, \$0/m3 in January - June.

ENBRIDGE ALTERNATE RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

**PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2022 TO JUNE, 2023
(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
July	180,524	679,215	0.265783	0.269520	0.003737	2,538.23	58,343.40	47.43	-66,752.58	2,585.66	-8,409.18	36.3	1.02%
August	240,327	897,942	0.267642	0.269520	0.001878	1,686.34	60,029.74	49.59	-66,702.99	1,735.93	-6,673.25	37.9	1.02%
September	350,294	1,320,132	0.265348	0.269520	0.004172	5,507.59	65,537.33	51.03	-66,651.96	5,558.62	-1,114.63	51.8	1.02%
October	755,791	2,820,244	0.267988	0.269520	0.001532	4,320.61	69,857.94	55.71	-66,596.25	4,376.32	3,261.69	105.1	1.02%
November	1,190,635	4,409,109	0.270040	0.269520	(0.000520)	-2,292.74	67,565.20	59.38	-66,536.87	-2,233.36	1,028.33	179.6	1.02%
December	1,175,170	4,354,244	0.269891	0.269520	(0.000371)	-1,615.42	65,949.78	57.43	-66,479.44	-1,557.99	-529.66	285.1	1.02%
January	1,381,546	5,109,125	0.270408	0.269520	(0.000888)	-4,536.90	61,412.88	56.06	-66,423.38	-4,480.84	-5,010.50	314.6	1.02%
February	1,204,676	4,456,931	0.270293	0.269520	(0.000773)	-3,445.21	57,967.67	52.20	-66,371.18	-3,393.01	-8,403.51	259.7	1.02%
March	1,053,852	3,910,397	0.269500	0.269520	0.000020	78.21	58,045.88	49.27	-66,321.91	127.48	-8,276.03	218.1	1.02%
April	687,201	2,552,327	0.269245	0.269520	0.000275	701.89	58,747.77	49.34	-66,272.57	751.23	-7,524.80	165.3	1.02%
May	352,363	1,317,540	0.267440	0.269520	0.002080	2,740.48	61,488.25	49.94	-66,222.63	2,790.42	-4,734.38	79.5	1.02%
June	<u>198,325</u>	<u>753,195</u>	<u>0.263312</u>	0.269520	0.006208	<u>4,675.83</u>	<u>66,164.08</u>	<u>52.27</u>	<u>-66,170.36</u>	<u>4,728.10</u>	<u>-6.28</u>	<u>47.0</u>	1.02%
Total	8,770,704	32,580,401	0.269202			10,358.91	66,164.08	629.65	-66,170.36	10,988.56	-6.28	1,780.0	

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

(1) Includes June, 2022 year-to-date balance of \$55,805.17 (See Schedule 2)
(2) Includes June, 2022 year-to-date balance of (\$66,800.01) (See Schedule 2)

ENBRIDGE ALTERNATE RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2022 TO JUNE, 2023

	<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>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	50,731	50,054	49,387	48,728	48,079	47,438	46,805	46,181	45,565	44,958	44,358	43,767	566,051
Local Production (C)	299,832	299,832	655,920	956,784	925,920	956,784	956,784	864,192	956,784	655,920	478,392	462,960	8,470,104
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	<u>328,652</u>	<u>548,056</u>	<u>614,825</u>	<u>1,814,732</u>	<u>3,435,110</u>	<u>3,350,022</u>	<u>4,105,536</u>	<u>3,546,558</u>	<u>2,908,048</u>	<u>1,851,449</u>	<u>794,790</u>	<u>246,468</u>	<u>23,544,246</u>
Total	679,215	897,942	1,320,132	2,820,244	4,409,109	4,354,244	5,109,125	4,456,931	3,910,397	2,552,327	1,317,540	753,195	32,580,401
<u>Price (\$/m3)</u>													
Local Production (A)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Local Production (B)	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267	0.262267
Local Production (C)	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051	0.258051
Parkway Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Western Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Enbridge Gas	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380	0.273380
<u>Total Gas Cost (\$)</u>													
Local Production (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Production (B)	13,305	13,128	12,953	12,780	12,610	12,441	12,275	12,112	11,950	11,791	11,634	11,479	148,457
Local Production (C)	77,372	77,372	169,261	246,899	238,935	246,899	246,899	223,006	246,899	169,261	123,450	119,467	2,185,721
Parkway Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Western Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Enbridge Gas	89,847	149,828	168,081	496,111	939,090	915,829	1,122,371	969,558	795,002	506,149	217,280	67,379	6,436,526
TCPL Transportation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	180,524	240,327	350,294	755,791	1,190,635	1,175,170	1,381,546	1,204,676	1,053,852	687,201	352,363	198,325	8,770,704

ENBRIDGE ALTERNATE RATE MITIGATION APPROACH

EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

JULY, 2021 THROUGH JUNE, 2023

<u>Month</u>	<u>Purchase Volume (M³)</u> A	<u>Throughput Volume (M³)</u> B	<u>Direct Purchase Volume (M³)</u> C	<u>System Sales Volume (M³)</u> D=B-C	<u>Deemed U.F.G. (M³)</u> E	<u>System Sales + U.F.G. (M³)</u> F=D+E	<u>Monthly Inventory Balance (M³)</u> G=A-F	<u>Cumulative Inventory (M³)</u> H (1)	<u>Reference Price (\$/M³)</u> I	<u>Inventory Revaluation (\$/s)</u> J	<u>Inventory Rate (\$/M³)</u> K	<u>Inventory Recovery (\$/s)</u> L=KxD	<u>Y-T-D GPRA Balance (\$/s)</u> M (2)	<u>Monthly Interest (\$/s)</u> N	<u>Y-T-D Interest (\$/s)</u> O (3)	<u>Total Y-T-D GPRA (\$/s)</u> P=M+O	<u>Monthly Interest Rate</u>
July	540,513	6,267,935	5,606,285	661,650	0	661,650	-121,138	8,731,572	0.130605	0.00	0.002017	1,334.55	-54,703.91	-26.62	-7,013.17	-61,717.08	0.57%
August	706,004	5,710,282	5,104,793	605,489	0	605,489	100,515	8,832,087	0.130605	0.00	0.002017	1,221.27	-53,482.64	-25.98	-7,039.15	-60,521.79	0.57%
September	867,782	6,149,083	5,499,029	650,054	0	650,054	217,728	9,049,815	0.130605	346,616.96	0.002017	1,311.16	294,445.48	-25.40	-7,064.55	287,380.93	0.57%
October	2,216,536	6,458,571	4,732,620	1,725,951	0	1,725,951	490,585	9,540,400	0.168906	0.00	(0.008798)	-15,184.92	279,260.56	139.86	-6,924.69	272,335.87	0.57%
November	3,938,963	10,075,458	6,080,290	3,995,168	0	3,995,168	-56,205	9,484,195	0.168906	0.00	(0.008798)	-35,149.49	244,111.07	132.65	-6,792.04	237,319.03	0.57%
December	3,460,888	9,048,851	5,610,302	3,438,549	0	3,438,549	22,339	9,506,534	0.168906	83,904.67	(0.008798)	-30,252.35	297,763.39	115.95	-6,676.09	291,087.30	0.57%
January	5,136,245	10,847,163	5,423,763	5,423,400	0	5,423,400	-287,155	9,219,379	0.177732	0.00	(0.008828)	-47,877.78	249,885.61	141.44	-6,534.65	243,350.96	0.57%
February	4,175,398	8,837,120	5,138,645	3,698,475	0	3,698,475	476,923	9,696,302	0.177732	0.00	(0.008828)	-32,650.14	217,235.47	118.70	-6,415.95	210,819.52	0.57%
March	3,523,050	8,746,129	5,691,263	3,054,866	0	3,054,866	468,184	10,164,486	0.177732	216,361.25	(0.008828)	-26,968.36	406,628.35	103.19	-6,312.76	400,315.59	0.57%
April	2,358,171	7,538,999	4,690,972	2,848,027	0	2,848,027	-489,856	9,674,630	0.199018	0.00	(0.011391)	-32,441.88	374,186.47	345.63	-5,967.13	368,219.34	1.02%
May	1,290,000	6,390,000	5,100,000	1,290,000	0	1,290,000	0	9,674,630	0.199018	0.00	(0.011391)	-14,694.39	359,492.08	318.06	-5,649.07	353,843.01	1.02%
June	724,532	5,764,532	5,040,000	724,532	0	724,532	0	9,674,630	0.199018	682,080.74	(0.011391)	-8,253.14	1,033,319.68	305.57	-5,343.50	1,027,976.18	1.02%
July	679,215	5,719,215	5,040,000	679,215	0	679,215	0	9,674,630	0.269520	0.00	(0.031735)	-21,554.89	1,011,764.79	878.32	-4,465.18	1,007,299.61	1.02%
August	897,942	5,937,942	5,040,000	897,942	0	897,942	0	9,674,630	0.269520	0.00	(0.031735)	-28,496.19	983,268.60	860.00	-3,605.18	979,663.42	1.02%
September	1,320,132	6,360,132	5,040,000	1,320,132	0	1,320,132	0	9,674,630	0.269520	0.00	(0.031735)	-41,894.39	941,374.21	835.78	-2,769.40	938,604.81	1.02%
October	2,820,244	8,070,244	5,250,000	2,820,244	0	2,820,244	0	9,674,630	0.269520	0.00	(0.031735)	-89,500.44	851,873.77	800.17	-1,969.23	849,904.54	1.02%
November	4,409,109	10,344,109	5,935,000	4,409,109	0	4,409,109	0	9,674,630	0.269520	0.00	(0.031735)	-139,923.07	711,950.70	724.09	-1,245.14	710,705.56	1.02%
December	4,354,244	9,989,244	5,635,000	4,354,244	0	4,354,244	0	9,674,630	0.269520	0.00	(0.031735)	-138,181.93	573,768.77	605.16	-639.98	573,128.79	1.02%
January	5,109,125	10,509,125	5,400,000	5,109,125	0	5,109,125	0	9,674,630	0.269520	0.00	(0.031735)	-162,138.08	411,630.69	487.70	-152.28	411,478.41	1.02%
February	4,456,931	9,706,931	5,250,000	4,456,931	0	4,456,931	0	9,674,630	0.269520	0.00	(0.031735)	-141,440.71	270,189.98	349.89	197.61	270,387.59	1.02%
March	3,910,397	9,210,397	5,300,000	3,910,397	0	3,910,397	0	9,674,630	0.269520	0.00	(0.031735)	-124,096.45	146,093.53	229.66	427.27	146,520.80	1.02%
April	2,552,327	7,752,327	5,200,000	2,552,327	0	2,552,327	0	9,674,630	0.269520	0.00	(0.031735)	-80,998.10	65,095.43	124.18	551.45	65,646.88	1.02%
May	1,317,540	6,417,540	5,100,000	1,317,540	0	1,317,540	0	9,674,630	0.269520	0.00	(0.031735)	-41,812.13	23,283.30	55.33	606.78	23,890.08	1.02%
June	753,195	5,793,195	5,040,000	753,195	0	753,195	0	9,674,630	0.269520	0.00	(0.031735)	-23,902.64	-619.34	19.79	626.57	7.23	1.02%

(1) Includes balance of 8,852,709 as of June, 2021
(2) Includes balance of -56,038.46 as of June, 2021
(3) Includes balance of -6,986.55 as of June, 2021

ENBRIDGE ALTERNATE RATE MITIGATION APPROACH
 EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jul-21 <u>EB-2021-0179</u>	Quarter Starting 01-Jul-22 <u>EB-2022-0173</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	126	126		
Monthly Charges	\$55.50	\$58.50	\$3.00	5.4%
Delivery Charges (1)	\$17.10	\$17.29	\$0.19	1.1%
Federal Carbon Charge	\$9.87	\$12.34	\$2.47	25.0%
Rate Riders	\$6.48	\$5.96	(\$0.52)	-8.0%
Total Commodity Charges	<u>\$16.77</u>	<u>\$30.02</u>	<u>\$13.25</u>	<u>79.0%</u>
Total Customer Charges	\$105.71	\$124.10	\$18.39	17.4%

ANNUAL BILL IMPACT

	01-Apr-22 <u>EB-2022-0099</u>	01-Jul-22 <u>EB-2022-0173</u>	\$ Change	Percent Change
Average Residential Consumption	1,780.0	1,780.0		
Monthly Charges	\$234.00	\$234.00	\$0.00	0.0%
Delivery Charges (1)	\$244.27	\$244.27	\$0.00	0.0%
Federal Carbon Charge	\$174.26	\$174.26	\$0.00	0.0%
Rate Riders	\$31.34	\$14.71	(\$16.63)	-53.1%
Total Commodity Charges	<u>\$334.75</u>	<u>\$424.03</u>	<u>\$89.28</u>	<u>26.7%</u>
Total Customer Charges	\$1,018.62	\$1,091.27	\$72.65	7.1%

RATES USED (2)

	01-Jul-21 <u>EB-2021-0179</u>	01-Apr-22 <u>EB-2022-0099</u>	01-Jul-22 <u>EB-2022-0173</u>
Monthly Charge	18.50	19.50	19.50
Delivery Charge	0.135701	0.137196	0.137196
Facility Carbon Charge	0.000052	0.000034	0.000034
Total Commodity Charge	0.133057	0.188062	0.238220
Federal Carbon Charge	0.078300	0.097900	0.097900
Rate Riders - \$/mth (3)	1.570000	1.740000	1.740000
Rate Riders - \$/m3 (4)	0.014037	0.005878	0.005878

(1) Delivery Charge includes Facility Carbon Charge

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

(3) Rate riders total \$1.74/month in July - December, \$0.06/month in January - March, \$0/month in April - June.

(4) Rate riders total \$0.005878/m3 in July - December, \$0/m3 in January - June.

**APPENDIX "A" TO
DECISION AND RATE ORDER
BOARD FILE No. EB-2022-0173
DATED JUNE XX, 2022**

EPCOR Natural Gas Limited Partnership

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

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

Rate

a)	Monthly Fixed Charge ⁽¹⁾	\$19.50
	Rate Rider for REDA recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33
	Rate Rider for LDMDA recovery (2022) – effective for 12 months ending December 31, 2022	\$1.35
b)	Delivery Charge	
	First 1,000 m ³ per month	13.7196 cents per m ³
	All over 1,000 m ³ per month	11.0264 cents per m ³
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2683 cents per m ³
c)	Carbon Charges ⁽²⁾	
	Federal Carbon Charge (if applicable)	9.7900 cents per m ³
	Facility Carbon Charge	0.0034 cents per m ³
	Rate Rider for FCCVA recovery (if applicable) – effective for 12 months ending March 31, 2023	\$0.03 per month
	Rate Rider for GGEADA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month
d)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

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

⁽²⁾ The Federal Carbon Charge is only “applicable” to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

Meter Readings

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

Delayed Payment Penalty

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

Bundled Direct Purchase Delivery

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

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

RATE 2 - Seasonal Service

Rate Availability

The entire service area of the company.

Eligibility

All customers.

Rate

For all gas consumed from:	April 1 - Oct 31	Nov 1 - Mar 31
a) Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33	\$0.33
b) Delivery Charge		
First 1,000 m ³ per month	17.6387 cents per m ³	22.2332 cents per m ³
Next 24,000 m ³ per month	9.1630 cents per m ³	15.1670 cents per m ³
All over 25,000 m ³ per month	7.1434 cents per m ³	16.0935 cents per m ³
Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³	0.3195 cents per m ³
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2343 cents per m ³	0.2343 cents per m ³
c) Carbon Charges ⁽²⁾		
Federal Carbon Charge (if applicable)	9.7900 cents per m ³	9.7900 cents per m ³
Facility Carbon Charge	0.0034 cents per m ³	0.0034 cents per m ³
Rate Rider for FCCVA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month	\$0.03 per month
Rate Rider for GGEADA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month	\$0.03 per month
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

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

⁽²⁾ The Federal Carbon Charge is only “applicable” to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

Meter Readings

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

Delayed Payment Penalty

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

Bundled Direct Purchase Delivery

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

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

RATE 3 - Special Large Volume Contract Rate

Rate Availability

The entire service area of the company.

Eligibility

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

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

Rate

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

- a) A Monthly Customer Charge⁽¹⁾:

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

Rate Rider for REDA recovery (2022) \$0.33
– effective for 12 months ending December 31, 2022

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 30.6443 cents per m³ for each m³ of daily contracted firm demand.

- c) A Monthly Delivery Charge:

- (i) A Monthly Firm Delivery Charge for all firm volumes of 4.0445 cents per m³,
- (ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 11.0113 cents per m³ and not to be less than 7.9775 per m³.

Rate Rider for PGTVA recovery (2022) 0.3195 cents per m³
– effective for 12 months ending December 31, 2022

Rate Rider for SICDA recovery (2022) 0.0179 cents per m³
– effective for 12 months ending December 31, 2022

- d) Carbon Charges⁽²⁾

Federal Carbon Charge (if applicable) 9.7900 cents per m³
Facility Carbon Charge 0.0034 cents per m³

Rate Rider for FCCVA recovery (if applicable) \$0.03 per month
– effective for 12 months ending March 31, 2023

Rate Rider for GGEADA recovery \$0.03 per month
– effective for 12 months ending March 31, 2023

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

f) Overrun Gas Charges:

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

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

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

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

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

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

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

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

(2) The Federal Carbon Charge is only "applicable" to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

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

- a) The volume of gas for which the customer is willing to contract;
 - b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
 - (i) Interruptible or curtailment provisions; and
 - (ii) Competition.
3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.
4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

Bundled Direct Purchase Delivery

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

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

Delayed Payment Penalty

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

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

Rate

For all gas consumed from:	April 1 - Dec 31	Jan 1 - Mar 31
a) Monthly Fixed Charge ⁽¹⁾	\$21.00	\$21.00
Rate Rider for REDA recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33	\$0.33
b) Delivery Charge		
First 1,000 m ³ per month	19.5025 cents per m ³	24.8799 cents per m ³
All over 1,000 m ³ per month	11.9660 cents per m ³	19.2257 cents per m ³
Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³	0.3195 cents per m ³
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0814 cents per m ³	0.0814 cents per m ³
c) Carbon Charges ⁽²⁾		
Federal Carbon Charge (if applicable)	9.7900 cents per m ³	9.7900 cents per m ³
Facility Carbon Charge	0.0034 cents per m ³	0.0034 cents per m ³
Rate Rider for FCCVA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month	\$0.03 per month
Rate Rider for GGEADA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month	\$0.03 per month
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

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

⁽²⁾ The Federal Carbon Charge is only “applicable” to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

Meter Readings

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

Delayed Payment Penalty

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

Bundled Direct Purchase Delivery

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

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

The entire service area of the company.

Eligibility

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

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

Rate

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

a)	Monthly Fixed Charge ⁽¹⁾	\$191.00
	Rate Rider for REDA recovery (2022) – effective for 12 months ending December 31, 2022	\$0.33
b)	A Monthly Delivery Charge:	
	A Monthly Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 9.7053 cents per m ³ and not to be less than 6.2641 per m ³ .	
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m ³
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0238 cents per m ³
c)	Carbon Charges ⁽²⁾	
	Federal Carbon Charge (if applicable)	9.7900 cents per m ³
	Facility Carbon Charge	0.0034 cents per m ³
	Rate Rider for FCCVA recovery (if applicable) – effective for 12 months ending March 31, 2023	\$0.03 per month
	Rate Rider for GGEADA recovery – effective for 12 months ending March 31, 2023	\$0.03 per month

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

⁽²⁾ The Federal Carbon Charge is only “applicable” to 20% of the natural gas volumes used by eligible greenhouses, reducing their effective Federal Carbon Charge rate.

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

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

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

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

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

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

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

- 2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c) above, the matters to be considered include:
 - a) The volume of gas for which the customer is willing to contract;
 - b) The load factor of the customer's anticipated gas consumption and the pattern of annual use and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
 - c) Interruptible or curtailment provisions; and
 - d) Competition.
- 3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas of 50,000 m³. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 8.1474 cents per m³ for interruptible gas.

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, the customer or their agent must enter into a Bundled T-Service Receipt Contract with EPCOR

for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

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

Delayed Payment Penalty

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

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

Rate Availability

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

Eligibility

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

Rate

1. Bills will be rendered monthly and shall be the total of:
 - a) Fixed Monthly Charge⁽¹⁾ for firm services \$64,140.69
Rate Rider for REDA recovery (2022) \$0.27
– effective for 12 months ending December 31, 2022
 - b) Carbon Charges 0.0034 cents per m³
- Facility Carbon Charge
 - c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

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

Purchased Gas Transportation Charges

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

Bundled Direct Purchase Delivery

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

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

Delayed Payment Penalty

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

SCHEDULE A – Gas Supply Charges

Rate Availability

The entire service area of the company.

Eligibility

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

Rate

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

PGCVA Reference Price (EB-2022-0173)	30.8263 cents per m ³
GPRA Recovery Rate (EB-2022-0173)	(4.3605) cents per m ³
System Gas Fee (EB-2018-0336)	<u>0.0435</u> cents per m ³
Total Gas Supply Charge	<u>26.6093</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

RATE BT1 – Bundled Direct Purchase Contract Rate

Rate Availability

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

Eligibility

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

Rate

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

Note:

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

Transmission Service

Availability

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

Eligibility

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

Rate

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

Effective: July 1, 2022

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

EB-2022-0173

EPCOR Natural Gas Limited Partnership

Schedule of Miscellaneous and Service Charges

	A	B
	Service	Fee
1	Service Work	
2	During normal working hours	
3	Minimum charge (up to 60 minutes)	\$100.00
4	Each additional hour (or part thereof)	\$100.00
5	Outside normal working hours	
6	Minimum charge (up to 60 minutes)	\$130.00
7	Each additional hour (or part thereof)	\$105.00
8		
9	Miscellaneous Charges	
10	Returned Cheque / Payment	\$20.00
11	Replies to a request for account information	\$25.00
12	Bill Reprint / Statement Print Requests	\$20.00
13	Consumption Summary Requests	\$20.00
14	Customer Transfer / Connection Charge	\$35.00
15		
16	Reconnection Charge	\$85.00
17		
18	Inactive Account Charge	ENGLP's cost to install service
19		
20	Late Payment Charge	1.5% / month, 19.56% / year (effective rate of 0.04896% compounded daily)
21	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
22	Installation of Service Lateral	\$100 for the first 20 meters. Additional if pipe length exceeds 20 meters.

Note: Applicable taxes will be added to the above charges

Effective: July 1, 2022

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

EB-2022-0173

**APPENDIX "B" TO
DECISION AND RATE ORDER
BOARD FILE No. EB-2022-0173
DATED JUNE XX, 2022**

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
BOARD FILE No. EB-2022-0173
DATED JUNE XX, 2022**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

Gas Commodity:

On all bills rendered by EPCOR on or after July 1, 2022, the price we charge for the gas commodity and transportation portion of your bill will be increasing by \$0.088031 per cubic meter to \$0.266093 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects that it will be paying to its gas suppliers through to the end of June, 2023. On your gas bill this cost is on the line entitled "Gas Commodity".

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

How will the price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 1,780 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$139 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.

Delivery Charges:

On all bills rendered by EPCOR on or after July 1, 2022, the price we charge for the delivery portion of your bill will be decreasing. For a typical residential customer who consumes approximately 1,780 cubic meters of gas annually, the delivery charges will decrease your annual heating costs by approximately \$17 per year.

If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

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

**APPENDIX "D" TO
DECISION AND RATE ORDER
BOARD FILE No. EB-2022-0173
DATED JUNE XX, 2022**

EPCOR Natural Gas Limited Partnership

SCHEDULE A – Gas Supply Charges

Rate Availability

The entire service area of the company.

Eligibility

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

Rate

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

PGCVA Reference Price (EB-2022-0173)	26.9520 cents per m ³
GPRA Recovery Rate (EB-2022-0173)	(3.1735) cents per m ³
System Gas Fee (EB-2018-0336)	<u>0.0435</u> cents per m ³
Total Gas Supply Charge	<u>23.8220</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account
GPRA means Gas Purchase Rebalancing Account

Effective: July 1, 2022

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

EB-2022-0173

**APPENDIX "E" TO
DECISION AND RATE ORDER
BOARD FILE No. EB-2022-0173
DATED JUNE XX, 2022**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

Gas Commodity:

On all bills rendered by EPCOR on or after July 1, 2022, the price we charge for the gas commodity and transportation portion of your bill will be increasing by \$0.050158 per cubic meter to \$0.238220 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects that it will be paying to its gas suppliers through to the end of June, 2023. On your gas bill this cost is on the line entitled "Gas Commodity".

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

How will the price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 1,780 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$89 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.

Delivery Charges:

On all bills rendered by EPCOR on or after July 1, 2022, the price we charge for the delivery portion of your bill will be decreasing. For a typical residential customer who consumes approximately 1,780 cubic meters of gas annually, the delivery charges will decrease your annual heating costs by approximately \$17 per year.

If you have any questions about the changes in rates or any other item that appears on your bill, please feel free to call our office at 519-773-5321.

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