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# DECISION AND RATE ORDER

**EB-2022-0173**

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

Application for quarterly rate adjustment mechanism commencing  
July 1, 2022

**Before: Allison Duff**  
Presiding Commissioner

**Lynne Anderson**  
Chief Commissioner

**David Sword**  
Commissioner

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**June 27, 2022**

## INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) applied for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of natural gas commencing July 1, 2022, for its Aylmer service territory on June 10, 2022, and revised its application on June 13, 2022, and June 15, 2022 (the Application). The purpose of this Application is to set rates for customers that pass-through the market price of the natural gas commodity. EPCOR does not make a profit on the sale of the natural gas commodity to its customers.

The Application was made pursuant to section 36(1) of the *Ontario Energy Board Act, 1998* and in accordance with the Quarterly Rate Adjustment Mechanism (QRAM) established by the OEB for dealing with changes in natural gas costs.<sup>1</sup>

EPCOR procures natural gas for its system gas customers in the Aylmer service territory from Enbridge Gas Inc. (Enbridge Gas) and from a local producer. EPCOR is itself a system gas customer of Enbridge Gas. As such, EPCOR pays Enbridge Gas in accordance with whatever rates are approved in Enbridge Gas's own QRAM proceedings. In addition, the formula for the price paid to the local producer takes into account Enbridge Gas's approved rates.

EPCOR filed its evidence based on the two approaches filed by Enbridge Gas in its July 2022 QRAM<sup>2</sup>: the preferred rate mitigation plan and the alternative rate mitigation plan. EPCOR proposed that its July 2022 QRAM rates should be based on the rate mitigation option that the OEB approves in Enbridge Gas's July 2022 QRAM proceeding, and that no additional EPCOR-specific rate mitigation is required.

Parties wishing to file comments on the Application were required to file them with the OEB by June 15, 2022. OEB staff filed a letter of comment indicating that the OEB should approve EPCOR's Application to reflect the rate mitigation approach that the OEB approves for Enbridge Gas's July 2022 QRAM. No other comments were filed. EPCOR filed a reply on June 15, 2022, and an additional reply on June 17, 2022.

On June 16, 2022, the OEB approved Enbridge Gas's preferred rate mitigation plan in its July 2022 QRAM.<sup>3</sup>

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<sup>1</sup> EB-2008-0106

<sup>2</sup> EB-2022-0150

<sup>3</sup> EB-2022-0150, Decision and Order, June 16, 2022

The OEB approves EPCOR's Application based on the preferred rate mitigation plan as approved in Enbridge Gas's July 2022 QRAM application, and finds that additional mitigation is not required.

## **OEB Process for QRAM**

The OEB has established a process for reviewing QRAM applications, which was last updated in 2014.<sup>4</sup> This process requires distributors, one month in advance of the normal QRAM filing date, to complete a preliminary estimate of the change in the commodity portion of a typical residential customer's bill who purchases their natural gas supply from the distributor.

The preliminary estimate is based on a forecast of natural gas prices, including any true-ups for the difference between actual and forecast natural gas prices for prior periods. If a distributor anticipates an increase or decrease of 25% or more on the commodity portion of a typical residential customer's bill, the distributor must file a letter with the OEB describing the anticipated increase or decrease and the cost drivers underpinning the anticipated change. Where the change is an increase, the distributor must also propose a plan for rate mitigation.

On May 27, 2022, EPCOR filed a letter to inform the OEB that, based on market pricing trends, the gas commodity portion of the bill was expected to increase by more than 25% for sales service customers in Aylmer. EPCOR also stated that should the commodity bill increase be greater than 25% for an average residential customer, it planned to include a rate mitigation proposal.

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<sup>4</sup> EB-2014-0199, Review of the Quarterly Rate Adjustment Mechanism (August 14, 2014)

## EPCOR'S PROPOSAL

EPCOR purchases natural gas, on behalf of its sales service customers in the Aylmer service territory, from Enbridge Gas and from a local producer. Enbridge Gas's rates and any approved rate mitigation directly flow through to the rates that EPCOR Aylmer system gas customers are charged. Enbridge Gas filed two rate mitigation options in its July 2022 QRAM application: the preferred rate mitigation approach and the alternate rate mitigation approach. EPCOR similarly provided evidence based on the two Enbridge Gas rate mitigation options. EPCOR proposed that its July 2022 QRAM rates should be based on Enbridge Gas's OEB-approved rate mitigation plan with no additional rate mitigation.

On June 13, 2022, EPCOR filed a corrected Schedule A of its rate schedule. The Purchas Gas Commodity Variance Account reference price was incorrectly stated in the original application and was revised from 30.8263 cents per m<sup>3</sup> to 30.9263 cents per m<sup>3</sup>.

On June 15, 2022, EPCOR filed a revised Schedule 9 and Schedule 14. The customer rate impacts for its Aylmer service territory were revised to be presented in a manner consistent with EPCOR South Bruce's application.

### Comments on the Application

Comments were received from OEB staff. OEB staff submitted that the OEB should approve EPCOR's Application to reflect the rate mitigation approach approved in Enbridge Gas's July 2022 QRAM, with no additional rate mitigation required.

OEB staff submitted that no additional rate mitigation is necessary as the bill impacts for EPCOR Aylmer residential customers are lower than the bill impacts for Enbridge Gas's Union South residential customers under both mitigation options.

OEB staff calculated the near-term impact of Enbridge Gas's preferred rate mitigation approach on a typical EPCOR Aylmer residential customer over the next three months, and when compared to Enbridge Gas's alternative rate mitigation approach total bill impact is reduced by approximately \$1 per month. EPCOR in its reply letter on June 17, 2022, confirmed OEB staff's calculations.

OEB staff also commented on EPCOR's approach to customer notification of bill changes and advised EPCOR to describe the process for notifications. OEB staff submitted that, if EPCOR sends printed customer notices, EPCOR should address in a future QRAM application the value that printed notices provide as compared to the level of effort required. OEB staff also submitted that EPCOR should file an updated proposal for customer notification in a future QRAM application. On June 15, 2022, EPCOR filed

a reply letter confirming that printed customer notices are sent to customers who are not on electronic billing. Approximately 8% of EPCOR Aylmer's service area customers are enrolled on electronic billing.

## FINDINGS

The OEB approves EPCOR's proposal that its July 2022 QRAM rates for the Aylmer service territory be based on Enbridge Gas's OEB-approved rate mitigation plan, with no additional rate mitigation. The OEB approved Enbridge Gas's preferred rate mitigation plan in its July 2022 QRAM.<sup>5</sup>

EPCOR's proposal uses the standard QRAM approach of recovering PGCVA balances over 12 months. The OEB finds that this approach strikes a balance between ensuring that consumers receive appropriate market price signals and protecting the interest of consumers that purchase their natural gas from EPCOR, and no additional mitigation beyond the standard QRAM approach is required.

The bill impact for a typical residential customer who uses 1,780 cubic metres of natural gas per year and who purchases its gas supply from EPCOR is an increase of approximately \$138.90 per year, for a total bill increase of about 13.6%.

With respect to its customer communication efforts, EPCOR has a variety of communication vehicles at its disposal and is encouraged to continue to consider all approaches in an ever-evolving field of customer interaction and communication.

The use of printed bill inserts is a customer communication option but shall no longer be considered a requirement. The OEB does not require EPCOR to file its approach for the use of bill inserts in a future application for approval by the OEB. EPCOR is expected to consult with OEB staff on QRAM communications to help enhance consumer understanding and to ensure there is a coordinated approach to communications.

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<sup>5</sup> EB-2022-0150, Decision and Order, June 16, 2022

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. The rates approved for EPCOR Aylmer as part of the decision and rate order EB-2022-0099, dated March 24, 2022, shall be superseded by the rates as provided in Appendix A to this Decision and Rate Order.
2. The rates approved shall be effective July 1, 2022 and shall be implemented in EPCOR's first billing cycle commencing in July 2022.
3. The reference price for use in determining the amounts to be recorded in the Purchase Gas Commodity Variance Account (Account No.179-27) shall increase by \$0.110245 per m<sup>3</sup> from the previous OEB approved level of \$0.199018 per m<sup>3</sup> to **\$0.309263** per m<sup>3</sup> as shown in Appendix A, Schedule A to this Decision and Rate Order.
4. The balance in the Gas Purchase Rebalancing Account shall be prospectively cleared. The resulting gas supply charge will increase from the previous OEB approved level of \$0.188062 per m<sup>3</sup> to **\$0.266093** per m<sup>3</sup> as indicated in Appendix A, Schedule A to this Decision and Rate Order.
5. EPCOR must ensure its customers are made aware of the rate increase.
6. EPCOR shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

**ISSUED** at Toronto, June 27, 2022

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar

**APPENDIX A TO  
DECISION AND RATE ORDER  
OEB FILE NO. EB-2022-0173  
DATED: June 27, 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 <sup>(1)</sup>	\$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 <sup>3</sup> per month	13.7196 cents per m <sup>3</sup>
	All over 1,000 m <sup>3</sup> per month	11.0264 cents per m <sup>3</sup>
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m <sup>3</sup>
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2683 cents per m <sup>3</sup>
c)	Carbon Charges <sup>(2)</sup>	
	Federal Carbon Charge (if applicable)	9.7900 cents per m <sup>3</sup>
	Facility Carbon Charge	0.0034 cents per m <sup>3</sup>
	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

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

<sup>(2)</sup> 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 <sup>(1)</sup>	\$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 <sup>3</sup> per month	17.6387 cents per m <sup>3</sup>	22.2332 cents per m <sup>3</sup>
Next 24,000 m <sup>3</sup> per month	9.1630 cents per m <sup>3</sup>	15.1670 cents per m <sup>3</sup>
All over 25,000 m <sup>3</sup> per month	7.1434 cents per m <sup>3</sup>	16.0935 cents per m <sup>3</sup>
Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m <sup>3</sup>	0.3195 cents per m <sup>3</sup>
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.2343 cents per m <sup>3</sup>	0.2343 cents per m <sup>3</sup>
c) Carbon Charges <sup>(2)</sup>		
Federal Carbon Charge (if applicable)	9.7900 cents per m <sup>3</sup>	9.7900 cents per m <sup>3</sup>
Facility Carbon Charge	0.0034 cents per m <sup>3</sup>	0.0034 cents per m <sup>3</sup>
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

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

<sup>(2)</sup> 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 m<sup>3</sup>; and
- c) a qualifying annual volume of at least 113,000 m<sup>3</sup>.

#### Rate

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

- a) A Monthly Customer Charge<sup>(1)</sup>:

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 m<sup>3</sup> for each m<sup>3</sup> 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 m<sup>3</sup>,
- (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 m<sup>3</sup> and not to be less than 7.9775 per m<sup>3</sup>.

Rate Rider for PGTVA recovery (2022) 0.3195 cents per m<sup>3</sup>  
– effective for 12 months ending December 31, 2022

Rate Rider for SICDA recovery (2022) 0.0179 cents per m<sup>3</sup>  
– effective for 12 months ending December 31, 2022

- d) Carbon Charges<sup>(2)</sup>

Federal Carbon Charge (if applicable) 9.7900 cents per m<sup>3</sup>  
Facility Carbon Charge 0.0034 cents per m<sup>3</sup>

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 m<sup>3</sup> for firm gas and 5.4412 cents per m<sup>3</sup> 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 m<sup>3</sup> 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 <sup>(1)</sup>	\$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 <sup>3</sup> per month	19.5025 cents per m <sup>3</sup>	24.8799 cents per m <sup>3</sup>
All over 1,000 m <sup>3</sup> per month	11.9660 cents per m <sup>3</sup>	19.2257 cents per m <sup>3</sup>
Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m <sup>3</sup>	0.3195 cents per m <sup>3</sup>
Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0814 cents per m <sup>3</sup>	0.0814 cents per m <sup>3</sup>
c) Carbon Charges <sup>(2)</sup>		
Federal Carbon Charge (if applicable)	9.7900 cents per m <sup>3</sup>	9.7900 cents per m <sup>3</sup>
Facility Carbon Charge	0.0034 cents per m <sup>3</sup>	0.0034 cents per m <sup>3</sup>
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

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

<sup>(2)</sup> 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 m<sup>3</sup>; and
- c) a qualifying annual volume of at least 50,000 m<sup>3</sup>.

#### Rate

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

a)	Monthly Fixed Charge <sup>(1)</sup>	\$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 <sup>3</sup> and not to be less than 6.2641 per m <sup>3</sup> .	
	Rate Rider for PGTVA recovery (2022) – effective for 12 months ending December 31, 2022	0.3195 cents per m <sup>3</sup>
	Rate Rider for SICDA recovery (2022) – effective for 12 months ending December 31, 2022	0.0238 cents per m <sup>3</sup>
c)	Carbon Charges <sup>(2)</sup>	
	Federal Carbon Charge (if applicable)	9.7900 cents per m <sup>3</sup>
	Facility Carbon Charge	0.0034 cents per m <sup>3</sup>
	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

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

<sup>(2)</sup> 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 m<sup>3</sup>. 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 m<sup>3</sup> 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<sup>(1)</sup> 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 m<sup>3</sup>  
- Facility Carbon Charge
  - c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

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

#### **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)	30.9263 cents per m <sup>3</sup>
GPRA Recovery Rate (EB-2022-0173)	(4.3605) cents per m <sup>3</sup>
System Gas Fee (EB-2018-0336)	<u>0.0435</u> cents per m <sup>3</sup>
Total Gas Supply Charge	<u>26.6093</u> cents per m <sup>3</sup>

**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**

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