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Ontario

DECISION AND RATE ORDER

EB-2023-0158

EPCOR NATURAL GAS LIMITED PARTNERSHIP- AYLMER

**Application for quarterly rate adjustment mechanism commencing
July 1, 2023**

By Delegation, Before: Lawrie Gluck
Manager
Natural Gas

June 22, 2023

INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) filed an application with the Ontario Energy Board (OEB) on June 12, 2023 for an order approving just and reasonable rates and other charges for the sale of natural gas commencing July 1, 2023 for its Aylmer operations (the Application). The purpose of the Application is to set rates to pass-through to customers 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.¹

EPCOR provided written evidence in support of the proposed changes. EPCOR provided the Application to all parties of record in EPCOR Aylmer's last major rates proceeding.²

Parties wishing to file comments on the Application were required to file these comments with the OEB by June 16, 2023. OEB staff filed questions on June 13, 2023. On June 14, 2023, EPCOR responded to OEB staff questions.

FINDINGS

The OEB approves the Application as filed.

EPCOR Aylmer's rates will be adjusted effective July 1, 2023 to reflect an overall decrease in forecast natural gas prices and the prospective recovery of the projected 12-month balances in the gas supply deferral accounts for the period ending June 2024.

EPCOR procures natural gas for its system gas customers in the Aylmer service territory from Enbridge Gas Inc. (Enbridge Gas) and local producers. EPCOR is itself a system gas customer of Enbridge Gas. As such, EPCOR pays Enbridge Gas in accordance with the rates that are approved in Enbridge Gas's own QRAM proceedings. In addition, the formula for the price paid to local producers takes into account Enbridge Gas's approved rates. On June 22, 2023, the OEB approved Enbridge Gas's proposed rates as set out in its July 2023 QRAM.³

¹ EB-2008-0106

² EB-2018-0336

³ EB-2023-0134, Decision and Rate Order, June 22, 2023

EPCOR intends to start purchasing renewable natural gas (RNG) from a local producer in mid-June 2023.⁴ As described in EPCOR's 2022 Gas Supply Plan update⁵, EPCOR is not the ultimate buyer of the RNG. The RNG producer has a contract with a buyer outside of Ontario for the environmental attributes related to the RNG. As a result, EPCOR will purchase the RNG volumes as another source of local supply and will not take ownership of the environmental attributes generated from the production of the RNG. In the OEB's response letter to the OEB Staff Report on EPCOR's 2022 Gas Supply Plan Update, the OEB raised no concerns with EPCOR's planned purchase of RNG from a local producer nor its planned treatment of this gas supply as another source of local supply.⁶

In the Application, EPCOR stated that it finalized a 10-year contract with a local renewable natural gas (RNG) producer. The price to be paid for the RNG supply is equal to Enbridge Gas's gas supply commodity rate, adjusted only for the difference in energy content. EPCOR confirmed that ratepayers are paying the same rate to the RNG producer as if EPCOR was purchasing natural gas from Enbridge Gas.⁷

The OEB finds that the RNG contract is reasonable as it provides EPCOR with a learning opportunity on how to transact for, and procure, RNG without incurring incremental supply costs relative to the purchase of supply from Enbridge Gas.

The OEB finds that the proposed gas commodity charge is set appropriately to reflect the change in the Purchased Gas Commodity Variance Account (PGVCA) reference price and the change in the recovery amount for inventory revaluation recorded in the Gas Purchase Rebalancing Account (GPRA). The PGCVA reference price is adjusted, effective July 1, 2023, based on: (a) the estimated accumulated balance in the account as of the end of June 2023; and (b) the forecasted cost of natural gas over the next 12-month period. The PGCVA reference price is set to bring the PGCVA balance to nearly zero over a 12-month period. The GPRA recovery amount is also set to bring the GPRA balance to nearly zero over a 12-month period.

The QRAM is intended to strike a balance between ensuring that consumers are receiving appropriate price signals which reflect natural gas market prices, and

⁴ The OEB notes that in EPCOR's January 2023 QRAM (EB-2022-0296) and April 2023 QRAM (EB-2023-0088), EPCOR forecasted purchases of RNG beginning in January 2023 and April 2023, respectively. However, on an actual basis, no RNG volumes were purchased between January 1, 2023 and May 31, 2023.

⁵ EB-2022-0141

⁶ EB-2022-0141, OEB's Response Letter to the OEB Staff Report to the Ontario Energy Board – Review of 2022 Annual Update to EPCOR Natural Gas Limited Partnership's Natural Gas Supply Plan, October 25, 2022

⁷ EPCOR response to OEB staff questions, June 14, 2023, Staff 1

protecting the interest of consumers that purchase their gas from the distributor by reducing, to some extent, the volatility in the price of natural gas. Natural gas commodity prices charged by EPCOR are based on:

- a market price forecast for the commodity over the next 12 months
- a true-up between actual and forecast commodity prices for prior periods as actual costs are passed on to customers without a mark-up.

The total annual bill impact for a typical residential customer who purchases their gas supply from EPCOR is a decrease of approximately \$9 or 0.8%.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The rates approved for EPCOR Aylmer as part of the Decision and Rate Order in EB-2023-0088, dated March 23, 2023, 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, 2023 and shall be implemented in EPCOR's first billing cycle commencing in July 2023.
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 \$0.001085 per m³ from the previous OEB approved level of \$0.224783 per m³ to **\$0.225868** per m³ 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 Gas Purchase Rebalancing Account recovery amount shall decrease by \$0.006113 from the previous OEB approved level of \$0.012854 per m³ to **-\$0.006741** per m³. The resulting gas commodity charge, inclusive of the system gas supply cost of \$0.000435, will decrease from the previous OEB approved level of \$0.238072 per m³ to **\$0.233044** per m³ as indicated in Appendix A, Schedule A to this Decision and Rate Order.
5. EPCOR is to communicate the rate decrease resulting from this Decision and Rate Order to its customers.
6. EPCOR shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

ISSUED at Toronto, June 22, 2023

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

**APPENDIX A TO
DECISION AND RATE ORDER
OEB FILE NO. EB-2023-0158
DATED: June 22, 2023**

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⁾ | \$20.50 |
| | Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2023 | \$0.02 |
| b) | Delivery Charge | |
| | First 1,000 m ³ per month | 13.9823 cents per m ³ |
| | All over 1,000 m ³ per month | 11.2376 cents per m ³ |
| | Rate Rider for PGTVA recovery – effective for 12 months ending December 31, 2023 | 0.4355 cents per m ³ |
| c) | Carbon Charges ⁽²⁾ | |
| | Federal Carbon Charge (if applicable) | 12.3900 cents per m ³ |
| | Facility Carbon Charge | 0.0037 cents per m ³ |
| 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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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⁾ | \$22.64 | \$22.64 |
| Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2023 | \$0.02 | \$0.02 |
| b) Delivery Charge | | |
| First 1,000 m ³ per month | 17.9469 cents per m ³ | 22.6217 cents per m ³ |
| Next 24,000 m ³ per month | 9.2863 cents per m ³ | 15.3710 cents per m ³ |
| All over 25,000 m ³ per month | 7.3439 cents per m ³ | 16.5451 cents per m ³ |
| Rate Rider for PGTVA Recovery – effective for 12 months ending December 31, 2023 | 0.4355 cents per m ³ | 0.4355 cents per m ³ |
| c) Carbon Charges ⁽²⁾ | | |
| Federal Carbon Charge (if applicable) | 12.3900 cents per m ³ | 12.3900 cents per m ³ |
| Facility Carbon Charge | 0.0037 cents per m ³ | 0.0037 cents per m ³ |
| 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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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 \$217.42 for firm or interruptible customers; or
A Monthly Customer Charge of \$241.22 for combined (firm and interruptible) customers.

Rate Rider for REDA Recovery \$0.02
– effective for 12 months ending December 31, 2023

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 31.4860 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 3.8967 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 11.3747 cents per m³ and not to be less than 8.2408 per m³.

Rate Rider for PGTVA recovery 0.4355 cents per m³
– effective for 12 months ending December 31, 2023

- d) Carbon Charges ⁽²⁾
Federal Carbon Charge (if applicable) 12.3900 cents per m³
Facility Carbon Charge 0.0037 cents per m³

- 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.

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;
- 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 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 3.2570 cents per m³ for firm gas and 5.6208 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.

⁽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.

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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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⁾ | \$22.64 | \$22.64 |
| Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2023 | \$0.02 | \$0.02 |
| b) Delivery Charge | | |
| First 1,000 m ³ per month | 19.7626 cents per m ³ | 25.2116 cents per m ³ |
| All over 1,000 m ³ per month | 12.1256 cents per m ³ | 19.4820 cents per m ³ |
| Rate Rider for PGTVA Recovery – effective for 12 months ending December 31, 2023 | 0.4355 cents per m ³ | 0.4355 cents per m ³ |
| c) Carbon Charges ⁽²⁾ | | |
| Federal Carbon Charge (if applicable) | 12.3900 cents per m ³ | 12.3900 cents per m ³ |
| Facility Carbon Charge | 0.0037 cents per m ³ | 0.0037 cents per m ³ |
| 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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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⁾ | \$206.60 |
| | Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2023 | \$0.02 |
| 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 10.0256 cents per m ³ and not to be less than 6.4708 per m ³ . | |
| | Rate Rider for PGTVA recovery – effective for 12 months ending December 31, 2023 | 0.4355 cents per m ³ |
| c) | Carbon Charges ⁽²⁾ | |
| | Federal Carbon Charge (if applicable) | 12.3900 cents per m ³ |
| | Facility Carbon Charge | 0.0037 cents per m ³ |
| 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(b) 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 8.4163 cents per m³ for interruptible gas.

⁽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.

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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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 \$66,256.30
 - b) Carbon Charges
- Facility Carbon Charge 0.0037 cents per m³
 - 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, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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-2023-0158) | 22.5868 cents per m ³ |
| GPRA Recovery Rate | (EB-2023-0158) | 0.6741 cents per m ³ |
| System Gas Fee | (EB-2018-0336) | <u>0.0435</u> cents per m ³ |
| Total Gas Supply Charge | | <u>23.3044</u> cents per m ³ |

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: July 1, 2023

Implementation: All bills rendered on or after July 1, 2023

EB-2023-0158

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, 2023

Implementation: All bills rendered on or after July 1, 2023

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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 |

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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

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