



43 Stewart Road
Collingwood, Ontario
Canada
epcor.com

September 08, 2023

Sent by EMAIL, RESS e-filing

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

Dear Ms. Marconi:

**Re: EB-2023-0270: Quarterly Rate Adjustment Mechanism ("QRAM") Application
ENGLP Natural Gas LP ("ENGLP") Southern Bruce for rates effective October 1,
2023**

Please find enclosed ENGLP Southern Bruce's QRAM Application to the Ontario Energy Board for orders effective October 1, 2023.

Sincerely,

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

Encl.

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership (“ENGLP”) pursuant to Section 36(1) of the Act, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of October 1, 2023.

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

APPLICATION

1. As part of the EB-2023-0159 Decision and Rate Order dated June 22, 2023 (the “Rate Order”), the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”), a Gas Purchase Rebalancing Account (“GPRA”) and a gas supply charge of \$0.157983 cents per m³, effective July 1, 2023, for ENGLP’s Southern Bruce operations.
2. Pursuant to Section 36(1) of the Act, and the QRAM approved by the Board, ENGLP hereby applies to the Board for further orders effective October 1, 2023, as follows:
 - a) an Order setting the reference price of \$0.161348 per m³, for amounts to be recorded in the PGCVA;
 - b) an Order changing the rates and other charges from those authorized the Board’s Decision and Rate Order dated June 22, 2023 in proceeding EB-2023-0159, to reflect a projected \$0.005591 per m³ increase in the gas supply charge from the Board approved level of \$0.157983 per m³ to a projected cost of \$0.163574 per m³. This change is the sum of the change in the PGCVA reference price, and the change required to prospectively clear the balance of the GPRA; and
 - (c) such further Order or Orders as ENGLP may request and the Board may deem appropriate or necessary.

Regulatory Framework

3. This application is supported by written evidence that has been pre-filed with the Board and intervenors of record in proceedings EB-2018-0264 and EB-2019-0264.
4. Pursuant to the criteria established in the Board’s EB-2008-0106 Decision, below is the Board’s direction with respect to the timeline for processing the application

- Any responsive comments from interested parties are filed with the Board, and served on ENGLP and other interest parties, on or before 4:45 p.m. five calendar days following the filing of the QRAM application.
 - Any reply comments from ENGLP are filed with the Board, and served on all interested parties, on or before 4:45 p.m. three calendar days following receipt of comments.
5. ENGLP respectfully requests the Board issue its Decision and Order by September 25, 2023 for implementation effective October 1, 2023.
6. The following procedures are prescribed for cost claims relating to QRAM applications, as directed by the Board:
- Parties that meet the eligibility criteria contained in the Board's Practice Direction on Cost Awards may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.
 - Any party eligible for an award of costs must file a claim with the Board and ENGLP no later than ten days from the date of the Board's decision and order. Should ENGLP have any comments concerning any of the claims, these concerns shall be forwarded to the Board and to the claimant within seven days of receiving the claims. Any response to ENGLP's comments must be filed with the Board and ENGLP within seven days of receiving the comments.

Address for Service

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

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

Tel: 647-730-0018
Email: KPoona@epcor.com

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

Tel: 705-445-1800 ext. 2274
Email: THesselink@epcor.com

DATED the 8th day of September, 2023.

EPCOR Natural Gas Limited Partnership

Tim Hesselink
Senior Manager, Regulatory Commercial Services

SCHEDULE 1- Management Summary

EPCOR NATURAL GAS LIMITED PARTNERSHIP - INTRODUCTION

As part of the EB-2018-0264 (Rate Order dated January 9, 2020) the Ontario Energy Board (“Board”) approved a Purchased Gas Commodity Variance Account (“PGCVA”) effective January 1, 2020 for EPCOR Natural Gas Limited Partnership Southern Bruce (“ENGLP”). In EB-2023-0159 (Decision and Rate Order dated June 22, 2023), the Board approved a decrease by \$0.025130 per m3 from the previous OEB approved level of \$0.179429 per m3 to \$0.154299 per m3 effective July 1, 2023.

In EB-2018-0264 (Rate Order dated January 9, 2020), the Board approved a Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in ENGLP’s cost of gas supply. In EB-2023-0159 (Decision and Rate Order dated June 22, 2023), the Board approved the GPRA to be cleared, resulting in a decrease in the gas supply charge of \$0.021932 per m3 to \$0.157983 per m3 effective July 1, 2023.

ENGLP is proposing to set the gas supply charge, the GPRA rate and the PGCVA reference price effective October 1, 2023 to reflect an updated forecast of gas costs, the projected balance in the PGCVA and the projected balance in the GPRA.

RATE MITIGATION

ENGLP is not proposing any rate mitigation in this application.

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

Updated Forecasts

The current forecast is based on natural gas prices over the relevant period. These gas prices reflect current contracts and market conditions, including alternative energy prices, demand for natural gas, the weather outlook and the impact of current storage levels. The forecasted demand profile of the franchise area for this application matches the most recent annual update to the Southern Bruce Gas Supply Plan EB-2023-0111, filed April 28, 2023 (“Gas Supply Plan Update”).

The PGCVA balance has been calculated using the most recent information available, including actual volumes and costs through July 2023. The remaining months in the thirteen-month period ending September 2023 are calculated using estimated prices and volumes based on the best information available at the time of filing.

Gas Supply Portfolio

The gas supply portfolio reflects the current and forecasted mix of delivery points utilized by ENGLP for system gas purchases. The composition of the gas supply portfolio volumes from October 2022 to September 2023 can be referenced on Schedule 3. This schedule shows the monthly volume of gas purchased, or forecast to be purchased from various delivery points and different pricing structures (including fixed, index, spot). Similarly, the composition of the gas supply portfolio volumes from October 2023 to September 2024 is shown on the top of Schedule 6.

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

- A percentage of average forecasted consumption for the period from April 1 to March 31 of the following year will be purchased as a fixed price gas landed at Dawn.
- A percentage of average forecasted consumption for the period from April 1 to March 31 of the following year will be purchased as an index price gas landed at Dawn.
- For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to month Dawn index purchases will be made to meet expected demand.
- Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to minimize risk of triggering fees from the M17 Limited Balancing Agreement (“LBA”).

The forecast values used in this QRAM match the 2023 Gas Supply Plan Update. Actual consumption from October 2022 to July 2023 has been reported for system gas customers during this period, with consumption from August 2023 onwards consisting of forecasted system gas consumption based on preliminary consumption forecast and the consumption forecast in the 2023 Gas Supply Plan Update.

Gas Costs

ENGLP’s actual and forecast gas costs from October 2022 to September 2023 are shown in Schedule 4 in \$/GJ by source of supply. These prices are also shown in the middle section of Schedule 3 in \$/m³. The bottom section of Schedule 3 shows the composition of the total system gas costs. The conversion factor used is based on the heat values used by Enbridge in their administration of the M17 service contracted by ENGLP to transport natural gas from Dawn to the Southern Bruce franchise through the Dornoch Interconnect. These conversion factors are shown in Schedule 4. All prices and costs shown are actual prices paid from October 2022 to August 2023. Prices for the remaining months in this period are based on estimates to be paid in those

months. The costs shown for the remaining months are based on both the estimated prices to be paid and the estimated volumes to be purchased.

Gas prices for each of the sources of supply from June 2023 to August 2023 are described below.

Actual Cost

Dawn Fixed Price Transactions:

In June 2023, ENGLP transacted one Dawn Fixed Priced deal: the transaction is for delivery of 252 GJ per day for delivery in Nov 1st, 2023 through Mar 31st, 2024.

In July 2023, ENGLP transacted one Dawn Fixed Priced deal: the transaction is for delivery of 200 GJ per day for delivery in Aug 1st through Aug 31st.

In August 2023, ENGLP transacted two Dawn Fixed Priced deal: one transaction is for delivery of 130 GJ per day for delivery in Sep 1st through Sep 30th, and another transaction is for delivery of 150 GJ per day for delivery in Oct 1st through Oct 31st.

These transactions were made to meet expected system gas and storage injection demand. Fixed priced deals were transacted instead of index price deals per advice of ECNG to protect ENGLP's gas portfolio against a rising market.

Dawn Spot Price Sales Transactions: ENGLP has not entered into any Dawn Spot Price Sales Transactions as of August 2023.

Dawn Spot Price Purchase Transactions:

In July 2023, ENGLP transacted one Dawn Spot Priced deal: the transaction is for delivery of 50 GJ per day for delivery in Jul 22nd through Jul 24th.

In August 2023, ENGLP transacted five Dawn Spot Priced deal: one transaction is for delivery of 400 GJ per day for delivery in Aug 5th through Aug 7th, one transaction of for delivery of 400 GJ per day for delivery on Aug 8th, one transaction is for delivery of 500 GJ per day for delivery on Aug 16th, one transaction is for delivery of 500 GJ per day for delivery on Aug 17th, and one transaction is for delivery of 500 GJ per day for delivery on Aug 18th.

Dawn Index Price Transactions: ENGLP has not entered into any Dawn Index Price Transactions as of August 2023.

AECO Index Price Transactions: ENGLP has not entered into any AECO Index Price Transactions as of August 2023.

Forecast Pricing

As noted earlier, ENGLP purchases gas from the market at Dawn. The structure of the purchases are as highlighted in the 2023 Gas Supply Plan Update, where:

- A percentage of average forecasted consumption for the period between April 1 and March 31 of the following year will be purchased as a fixed price gas landed at Dawn.
- For forecasted demand not met by baseload purchase or firm storage withdrawal rights, month to month Dawn index purchases will be made to meet expected demand.
- Day-to-day spot purchases and sales at Dawn will be made if storage injection or withdrawal adjustments are not appropriate or cannot meet higher or lower than forecasted demand and to minimize risk of triggering fees from the M17 LBA.

The price forecast for this gas reflects the 21 trading day average of the two hubs relevant to the Gas Supply Plan – Dawn. Forecast prices for all 12 forward months are taken as the arithmetic average of Daily Closing Forward Price for 21 trading days of each forward month, ending August 31, 2023. Noon day average foreign exchange rate of each trading day is used to convert Dawn settlement prices in USD to CAD. Dawn settlement prices were also converted from mmBtu to GJ. These monthly prices are applied to the forecast volume of gas purchases in the Gas Supply Plan. Forecasted price for the fixed priced Dawn purchase for September 2023 to September 2024 is calculated as the 21 trading day average for those future delivery periods at Dawn.

Other Forecast Assumptions

The heat value to convert GJ to m³ is 39.17 GJ/10³ m³ for gas delivered from Enbridge starting April 2023. This is consistent with the figure used by Enbridge for gas nominated into the M17 and for managing the M17 LBA, which tracks total consumption for the Southern Bruce franchise on a per GJ basis. ENGLP uses this conversion factor to calculate the cost in \$/GJ and for the pricing of system gas volumes. This is an annual average heat rate that will be adjusted annually on April 1st.

PGCVA Balance

The projected September 2023 balance in the PGCVA, is a credit of \$23,433.74, including a debit of \$1,582.06 in accumulated interest, based on the Board's prescribed interest rate. This estimate is based on actual and forecasted purchases starting October 2022. The PGCVA debit for a typical residential customer equals \$4.70.

Proposed PGCVA Rate Changes

ENGLP proposes to adjust the reference price effective October 1, 2023 based on the projected accumulated balance in the PGCVA as of the end of September 2023 and the forecasted cost of

gas over the twelve-month period. The reference price is set such that the projected PGCVA balance at the end of September 2024 is close to zero.

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

ENGLP proposes to increase the reference price by \$0.007049 per m³ effective October 1, 2023, (from \$0.154299 per m³ to \$0.161348 per m³.) The derivation of this rate is shown in Schedule 5. This is the reference price required to bring the PGCVA balance close to zero on a twelve-month forecast basis. This change will also be reflected in the gas commodity charge.

GAS PURCHASE REBALANCING ACCOUNT

The impact on the GPRA of the proposed October 1, 2023 PGCVA reference price change from \$0.154299 per m³ to \$0.161348 per m³ is a debit of \$16,046.93, as shown on Schedule 8. This figure is shown in column (J) of Schedule 8 on the September 2023 line. It is calculated as the change in the PGCVA reference price between September 2023 and October 2023, multiplied by the cumulative inventory balance at the end of September 2023. This cumulative inventory balance is the sum of the forecasted monthly inventory balances for October 2023 and forecasts for the subsequent months. These forecasts will be replaced with actual balances for these months in subsequent QRAM applications as this information becomes available. As well, the monthly inventory balances are based on a deemed level of unaccounted for gas (“UFG”) of the total throughput volume, as shown in column (F) of Schedule 8. The 0.0% is the Board approved level of UFG from EB-2018-0264.

ENGLP proposes to adjust the gas commodity charge effective October 1, 2023 based on the projected accumulated balance in the GPRA. The adjustment to the gas commodity charge will be set such that the projected GPRA balance at the end of September, 2024 will be close to zero. The rate required to achieve this is shown in column (K) on Schedule 8. Column (P) shows the reduction of the inventory revaluation balance based on this rate of \$0.002226 per m³ over the September 2023 through October 2024 period.

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

GAS COMMODITY CHARGE

The change in the gas commodity charge proposed for October 1, 2023 is summarized below. The change in the gas commodity charge reflects both the change in the PGCVA reference price and the change in the recovery of the inventory revaluation amount in the GPRA. It does not reflect the approved change in the system gas supply cost. The change in the gas commodity charge is as follows:

Table 3 - Changes in Gas Commodity Charge

	EB-2023-0159 01-Jul-23	Proposed 01-Oct-23	Variance
PGCVA Reference Price	\$0.154299	\$0.161348	\$0.007049
<u>GPRA Recovery</u>	<u>\$0.003684</u>	<u>\$0.002226</u>	<u>-\$0.001458</u>
Gas Commodity Charge	\$0.157983	\$0.163574	\$0.005591

SUMMARY

In summary, ENGLP proposes to increase the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account by \$0.154299 to \$0.161348 per m³ effective October 1, 2023. Appendix B contains the accounting entries related to the PGCVA.

ENGLP also proposes to increase the gas supply charge from \$0.157983 to \$0.163574 per m³ effective October 1, 2023. This change reflects the change in the PGCVA reference price and the change related to the recovery of the GPRA balance, both as described above. These changes apply to all system gas customers served under Rates 1, 6, and 11. Customers served under Rate 16 are not impacted by changes in Gas Commodity Charge, as they procure their own supply and are not served by system gas supply. The proposed rate schedules are attached as Appendix A.

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 2,149 m³ is an increase of \$12.02. This average use figure of 2,149 m³ is consistent with the bill impacts presented in ENGLP's 2020 Incentive Rate-setting Mechanism application (EB-2019-0264) and reflects the Board's expectation that QRAM applications would provide bill impacts based on this level for a typical residential customer.

ENGLP will include customer notices reflecting the changes in the gas supply commodity charge with their first bill on or after October 1, 2023. This customer notice has been included, for reference, in Appendix C.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - OCTOBER, 2022 TO SEPTEMBER, 2023

<u>Act/Fcst</u>	<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Actual/ Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
Actual	October	198,039	661,196	0.299516	0.336727	0.037211	-7,063	34,485	134	2,681	-6,929	37,165	73.4	3.87%
Actual	November	201,499	761,912	0.264464	0.336727	0.072263	23,391	57,876	111	2,792	23,503	60,668	140.3	3.87%
Actual	December	155,190	505,317	0.307115	0.336727	0.029612	-16,703	41,173	187	2,979	-16,517	44,151	259.9	3.87%
Actual	January	184,244	633,154	0.290993	0.248652	-0.042341	-58,475	-17,302	162	3,141	-58,313	-14,161	202.0	4.73%
Actual	February	115,464	423,517	0.272630	0.248652	-0.023978	-41,822	-59,124	-68	3,073	-41,890	-56,051	215.7	4.73%
Actual	March	136,762	534,695	0.255776	0.248652	-0.007124	-35,476	-94,600	-233	2,840	-35,709	-91,760	211.6	4.73%
Actual	April	115,725	763,227	0.151625	0.179429	0.027804	21,221	-73,379	-393	2,447	20,828	-70,932	103.2	4.98%
Actual	May	111,848	784,503	0.142572	0.179429	0.036857	28,914	-44,465	-305	2,142	28,610	-42,322	70.2	4.98%
Actual	June	84,229	567,526	0.148414	0.179429	0.031015	17,602	-26,863	-185	1,958	17,417	-24,905	30.4	4.98%
Actual	July	68,160	397,013	0.171682	0.154299	-0.017383	-6,901	-33,764	-111	1,846	-7,013	-31,918	20.1	4.98%
Forecast	August	93,105	628,159	0.148219	0.154299	0.006080	3,819	-29,945	-140	1,706	3,679	-28,239	63.0	4.98%
Forecast	September	102,493	696,196	0.147219	0.154299	0.007080	4,929	-25,016	-124	1,582	4,805	-23,434	86.9	4.98%
	Total	1,566,757	7,356,417	0.212978			(66,563.33)	(25,015.80)	(964.62)	1,582.06	(67,527.95)	(23,433.74)	1,476.7	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.003185)
Average Residential Consumption per Customer 1,476.7 M*3
Estimated Impact on Average Residential Customer \$4.70 Customer Charge

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - OCTOBER, 2022 TO SEPTEMBER, 2023

	<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>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	0	166,199	166,199
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	316,973	497,699	236,145	633,154	410,838	534,695	763,227	784,503	567,526	393,184	549,272	529,997	6,217,215
Spot Purchase	344,223	264,213	269,172	0	12,679	0	0	0	0	3,829	78,887	0	973,003
Spot Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	661,196	761,912	505,317	633,154	423,517	534,695	763,227	784,503	567,526	397,013	628,159	696,196	
<u>Price (\$/m3)</u>													
Dawn Day Ahead Index	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.115628	
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Fixed Price	0.346603	0.287789	0.295101	0.290993	0.276879	0.255776	0.151625	0.142572	0.148414	0.172228	0.152915	0.157126	
Spot Purchase	0.256157	0.220528	0.317654	0.000000	0.134964	0.000000	0.000000	0.000000	0.000000	0.115552	0.115524	0.000000	
Spot Sale	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Dawn Day Ahead Index	0	0	0	0	0	0	0	0	0	0	0	19,217	19,217
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	109,864	143,232	69,687	184,244	113,753	136,762	115,725	111,848	84,229	67,717	83,992	83,276	1,304,328
Spot Purchase	88,175	58,266	85,504	0	1,711	0	0	0	0	443	9,113	0	243,212
Spot Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	198,039	201,499	155,190	184,244	115,464	136,762	115,725	111,848	84,229	68,160	93,105	102,493	1,566,757

EPCOR NATURAL GAS LIMITED PARTNERSHIP

ACTUAL AND FORECAST GAS PRICES

HISTORICAL TWELVE MONTH PERIOD - OCTOBER, 2022 TO SEPTEMBER, 2023

		<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>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>
Dawn Day Ahead Index	(\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.952
AECO 5A	(\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Dawn Fixed Price	(\$/GJ)	8.860	7.357	7.543	7.438	7.078	6.538	3.871	3.640	3.789	4.397	3.904	4.011
Spot Purchase	(\$/GJ)	6.548	5.637	8.120	0.000	3.450	0.000	0.000	0.000	0.000	2.950	2.949	0.000
Spot Sale	(\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Heat Value	(GJ/103m3)	39.12	39.12	39.12	39.12	39.12	39.12	39.17	39.17	39.17	39.17	39.17	39.17

EPCOR NATURAL GAS LIMITED PARTNERSHIP

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - OCTOBER, 2023 TO SEPTEMBER, 2024
(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
October	137,624	1,089,788	0.126286	0.161348	0.035062	38,210.15	13,194.35	(103.82)	1,478.24	38,106.33	14,672.59	145.9	4.98%
November	219,905	1,446,770	0.151997	0.161348	0.009351	13,528.75	26,723.10	54.76	1,533.00	13,583.51	28,256.10	212.9	4.98%
December	166,806	925,963	0.180143	0.161348	(0.018795)	(17,403.47)	9,319.63	110.90	1,643.90	(17,292.57)	10,963.53	278.0	4.98%
January	182,646	986,903	0.185070	0.161348	(0.023722)	(23,411.31)	(14,091.68)	38.68	1,682.58	(23,372.63)	(12,409.10)	316.3	4.98%
February	174,523	945,443	0.184594	0.161348	(0.023246)	(21,977.77)	(36,069.45)	(58.48)	1,624.10	(22,036.25)	(34,445.35)	317.4	4.98%
March	147,089	809,624	0.181676	0.161348	(0.020328)	(16,458.04)	(52,527.49)	(149.69)	1,474.41	(16,607.73)	(51,053.08)	268.8	4.98%
April	154,828	1,030,126	0.150300	0.161348	0.011048	11,380.83	(41,146.66)	(217.99)	1,256.42	11,162.84	(39,890.24)	195.5	4.98%
May	185,393	1,239,366	0.149587	0.161348	0.011761	14,576.18	(26,570.48)	(170.76)	1,085.66	14,405.42	(25,484.82)	125.6	4.98%
June	140,931	940,515	0.149844	0.161348	0.011504	10,819.68	(15,750.80)	(110.27)	975.39	10,709.41	(14,775.41)	77.0	4.98%
July	127,572	821,496	0.155292	0.161348	0.006056	4,974.98	(10,775.82)	(65.37)	910.02	4,909.61	(9,865.80)	61.7	4.98%
August	107,776	690,911	0.155991	0.161348	0.005357	3,701.21	(7,074.61)	(44.72)	865.30	3,656.49	(6,209.31)	63.0	4.98%
<u>September</u>	<u>141,251</u>	<u>912,943</u>	<u>0.154721</u>	<u>0.161348</u>	<u>0.006627</u>	6,232.79	<u>(841.82)</u>	<u>(29.36)</u>	<u>835.94</u>	<u>6,203.43</u>	<u>(5.88)</u>	<u>77.0</u>	<u>4.98%</u>
Total	1,886,345	11,839,848	0.159322			24,173.98	(841.82)	(746.12)	835.94	23,427.86	(5.88)	2,139.1	

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

(1) Includes September, 2023 year-to-date balance of (\$25,015.80) (See Schedule 2)
(2) Includes September, 2023 year-to-date balance of \$1,582.06 (See Schedule 2)

EPCOR NATURAL GAS LIMITED PARTNERSHIP

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - OCTOBER, 2023 TO SEPTEMBER, 2024

	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Dawn Day Ahead Index	812,790	1,255,297	203,395	264,335	269,492	87,056	813,378	660,837	380,648	242,967	112,382	353,076	5,455,653
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	276,998	191,473	722,568	722,568	675,951	722,568	216,748	578,529	559,867	578,529	578,529	559,867	6,384,195
Spot Purchase	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,089,788	1,446,770	925,963	986,903	945,443	809,624	1,030,126	1,239,366	940,515	821,496	690,911	912,943	11,839,848
<u>Price (\$/m3)</u>													
Dawn Day Ahead Index	0.118750	0.149670	0.175358	0.183530	0.182851	0.176868	0.150300	0.149587	0.149844	0.155292	0.155991	0.154721	
AECO 5A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Fixed Price	0.148398	0.167256	0.181490	0.185634	0.185289	0.182255	0.150300	0.149587	0.149844	0.155292	0.155991	0.154721	
Spot Purchase	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Spot Sale	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Dawn Day Ahead Index	96,518	187,880	35,667	48,513	49,277	15,397	122,251	98,853	57,038	37,731	17,531	54,628	821,284
AECO 5A	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Fixed Price	41,106	32,025	131,139	134,133	125,247	131,692	32,577	86,540	83,893	89,841	90,245	86,623	1,065,061
Spot Purchase	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	137,624	219,905	166,806	182,646	174,523	147,089	154,828	185,393	140,931	127,572	107,776	141,251	1,886,345

PROJECTED TWELVE MONTH FORWARD PERIOD - OCTOBER, 2023 TO SEPTEMBER, 2024

[illegible]

EPCOR NATURAL GAS LIMITED PARTNERSHIP

GAS PURCHASE REBALANCING ACCOUNT

OCTOBER, 2022 THROUGH SEPTEMBER, 2024

Month	Purchase Volume (M ³) A	Throughput Volume (M ³) B	Direct Purchase Volume (M ³) C	System Sales Volume (M ³) D=B-C	Deemed U.F.G. (M ³) E	System Sales + U.F.G. (M ³) F=D+E	Monthly Inventory Balance (M ³) G=A-F	Cumulative Inventory (M ³) H (1)	Reference Price (\$/M ³) I	Inventory Revaluation (\$'s) J	Inventory Rate (\$/M ³) K	Inventory Recovery (\$'s) L=KxH	Y-T-D GPRA Balance (\$'s) M (2)	Monthly Interest (\$'s) N	Y-T-D Interest (\$'s) O (3)	Total Y-T-D GPRA (\$'s) P=M+O	Monthly Interest Rate
October	661,196	579,785	0	579,785	0	579,785	81,411	2,147,879	0.336727	0.00	(0.029825)	(17,292.10)	192,719.54	677.29	2,560.23	195,279.77	3.87%
November	761,912	708,324	0	708,324	0	708,324	53,588	2,201,467	0.336727	0.00	(0.029825)	(21,125.76)	171,593.78	621.52	3,181.75	174,775.53	3.87%
December	505,317	1,219,769	0	1,219,769	0	1,219,769	(714,452)	1,487,015	0.336727	(130,968.84)	(0.029825)	(36,379.61)	4,245.33	553.39	3,735.14	7,980.47	3.87%
January	633,154	852,895	0	852,895	0	852,895	(219,741)	1,267,274	0.248652	0.00	(0.000346)	(295.10)	3,950.23	16.73	3,751.87	7,702.10	4.73%
February	423,517	980,064	0	980,064	0	980,064	(556,547)	710,727	0.248652	0.00	(0.000346)	(339.10)	3,611.13	15.57	3,767.44	7,378.57	4.73%
March	534,695	989,951	0	989,951	0	989,951	(455,256)	255,471	0.248652	(17,684.45)	(0.000346)	(342.52)	(14,415.84)	14.23	3,781.67	(10,634.17)	4.73%
April	763,227	503,241	0	503,241	0	503,241	259,987	515,457	0.179429	0.00	0.000486	244.57	(14,171.27)	(59.83)	3,721.84	(10,449.43)	4.98%
May	784,503	383,032	0	383,032	0	383,032	401,471	916,929	0.179429	0.00	0.000486	186.15	(13,985.12)	(58.81)	3,663.03	(10,322.09)	4.98%
June	567,526	146,736	0	146,736	0	146,736	420,791	1,337,719	0.179429	(33,616.89)	0.000486	71.31	(47,530.70)	(58.04)	3,604.99	(43,925.71)	4.98%
July	567,526	101,202	0	101,202	0	101,202	466,324	1,804,044	0.154299	0.00	0.003684	372.83	(47,157.87)	(197.25)	3,407.74	(43,750.13)	4.98%
August	567,526	210,830	0	210,830	0	210,830	356,696	2,160,740	0.154299	0.00	0.003684	776.70	(46,381.17)	(195.71)	3,212.03	(43,169.14)	4.98%
September	567,526	451,783	0	451,783	0	451,783	115,743	2,276,483	0.154299	16,046.93	0.003684	1,664.37	(28,669.87)	(192.48)	3,019.55	(25,650.32)	4.98%
October	1,089,788	1,090,126	0	1,090,126	0	1,090,126	(338)	2,276,145	0.161348	0.00	0.002226	2,426.62	(26,243.25)	(118.98)	2,900.57	(23,342.68)	4.98%
November	1,446,770	1,447,062	0	1,447,062	0	1,447,062	(292)	2,275,853	0.161348	0.00	0.002226	3,221.16	(23,022.09)	(108.91)	2,791.66	(20,230.43)	4.98%
December	925,963	1,578,062	0	1,578,062	0	1,578,062	(652,099)	1,623,754	0.161348	0.00	0.002226	3,512.77	(19,509.32)	(95.54)	2,696.12	(16,813.20)	4.98%
January	986,903	1,639,049	0	1,639,049	0	1,639,049	(652,146)	971,608	0.161348	0.00	0.002226	3,648.52	(15,860.80)	(80.96)	2,615.16	(13,245.64)	4.98%
February	945,443	1,555,228	0	1,555,228	0	1,555,228	(609,785)	361,823	0.161348	0.00	0.002226	3,461.94	(12,398.86)	(65.82)	2,549.34	(9,849.52)	4.98%
March	809,624	1,432,797	0	1,432,797	0	1,432,797	(623,173)	(261,350)	0.161348	0.00	0.002226	3,189.41	(9,209.45)	(51.46)	2,497.88	(6,711.57)	4.98%
April	1,030,126	1,030,045	0	1,030,045	0	1,030,045	81	(261,269)	0.161348	0.00	0.002226	2,292.88	(6,916.57)	(38.22)	2,459.66	(4,456.91)	4.98%
May	1,239,366	641,579	0	641,579	0	641,579	597,787	336,518	0.161348	0.00	0.002226	1,428.15	(5,488.42)	(28.70)	2,430.96	(3,057.46)	4.98%
June	940,515	362,241	0	362,241	0	362,241	578,274	914,792	0.161348	0.00	0.002226	806.35	(4,682.07)	(22.78)	2,408.18	(2,273.89)	4.98%
July	940,515	223,808	0	223,808	0	223,808	716,707	1,631,499	0.161348	0.00	0.002226	498.20	(4,183.87)	(19.43)	2,388.75	(1,795.12)	4.98%
August	940,515	293,204	0	293,204	0	293,204	647,311	2,278,810	0.161348	0.00	0.002226	652.67	(3,531.20)	(17.36)	2,371.39	(1,159.81)	4.98%
September	940,515	527,602	0	527,602	0	527,602	412,913	2,691,723	0.161348	0.00	0.002226	1,174.44	(2,356.76)	(14.65)	2,356.74	(0.02)	4.98%

(1) Includes balance of 2,066,468 as of September, 2022
(2) Includes balance of 210,011.64 as of September, 2022
(3) Includes balance of 1,882.94 as of September, 2022

EPCOR NATURAL GAS LIMITED PARTNERSHIP

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Oct-22 EB-2022-0219	Quarter Starting 01-Oct-23 EB-2023-0270	\$ Change	Percent Change
Average Residential Consumption for Quarter	636.8	636.8		
Monthly Charges	\$81.81	\$83.43	\$1.62	2.0%
Delivery Charges	\$177.38	\$180.98	\$3.60	2.0%
Upstream Charges	\$26.57	\$26.57	\$0.00	0.0%
Rate Riders	\$18.06	\$16.08	(\$1.98)	-11.0%
Federal Carbon Charge (if applicable)	\$62.34	\$78.90	\$16.56	26.6%
Facility Carbon Charge	\$0.00	\$0.01	\$0.01	
Total Commodity Charges	<u>\$195.44</u>	<u>\$104.16</u>	<u>(\$91.27)</u>	<u>-46.7%</u>
Total Customer Charges	\$561.60	\$490.13	(\$71.47)	-12.7%

ANNUAL BILL IMPACT

	01-Jul-23 EB-2023-0159	01-Oct-23 EB-2023-0270	\$ Change	Percent Change
Average Residential Consumption	2,149.0	2,149.0		
Monthly Charges	\$333.72	\$333.72	\$0.00	0.0%
Delivery Charges	\$611.19	\$611.19	\$0.00	0.0%
Upstream Charges	\$89.66	\$89.66	\$0.00	0.0%
Rate Riders	\$54.26	\$54.26	\$0.00	0.0%
Federal Carbon Charge (if applicable)	\$266.26	\$266.26	\$0.00	0.0%
Facility Carbon Charge	\$0.02	\$0.02	\$0.00	0.0%
Total Commodity Charges	<u>\$339.51</u>	<u>\$351.52</u>	<u>\$12.02</u>	<u>3.5%</u>
Total Customer Charges	\$1,694.62	\$1,706.64	\$12.02	0.7%

RATES USED (1)

	01-Oct-22 EB-2022-0219	01-Jul-23 EB-2023-0159	01-Oct-23 EB-2023-0270
Monthly Charge	27.27	27.81	27.81
Delivery Charge - first 100 m3	0.281486	0.287200	0.287200
Delivery Charge - next 400 m3	0.275941	0.281542	0.281542
Delivery Charge - after 500 m3	0.267790	0.273226	0.273226
Upstream Charges - Recovery	0.014740	0.014740	0.014740
Upstream Charges - Tport Storage	0.026982	0.026982	0.026982
Rate Rider for Delay in Revenue Recovery	0.016330	0.016330	0.016330
ECVA Rate Rider	0.001403	0.003437	0.003437
CIACVA Rate Rider	0.005434	0.033388	0.033388
MTVA Rate Rider	0.005197	-0.027906	-0.027906
Federal Carbon Charge (if applicable)	0.097900	0.123900	0.123900
Facility Carbon Charge	N/A	0.000011	0.000011
Gas Supply Charge	0.306902	0.157983	0.163574

APPENDIX “A” TO
DECISION AND RATE ORDER
OEB File No: EB-2023-0270
Dated: September XX, 2023

RATE 1 - General Firm Service

Applicability

Any customer in ENGLP's Southern Bruce Natural Gas System who is an end user and whose total gas requirements are equal to or less than 10,000 m³ per year.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$27.81	
Delivery Charge		
First 100 m ³ per month	28.7200	¢ per m ³
Next 400 m ³ per month	28.1542	¢ per m ³
Over 500 m ³ per month	27.3226	¢ per m ³
Upstream Charges		
Upstream Recovery charge	1.4740	¢ per m ³
Transportation and Storage charge	2.6982	¢ per m ³
Rate Rider for Delay in Revenue Recovery	1.6330	¢ per m ³
- effective for 10 years ending December 31, 2028		
ECVA Rate Rider	0.3437	¢ per m ³
- effective for 12 months ending December 31, 2023		
CIACVA Rate Rider	3.3388	¢ per m ³
- effective for 12 months ending December 31, 2023		
MTVA Rate Rider	(2.7906)	¢ per m ³
- effective for 12 months ending December 31, 2023		
Federal Carbon Charge (if applicable) ⁽²⁾	12.39	¢ per m ³
Facility Carbon Charge	0.0011	¢ per m ³
Gas Supply Charge	16.3574	¢ per m ³

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

⁽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.

Direct Purchase Delivery

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

Terms and Conditions of Service

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

Effective: October 1, 2023

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

EB-2023-0270

RATE 6 – Large Volume General Firm Service

Applicability

Any customer in ENGLP's Southern Bruce Natural Gas System who is an end user and whose total gas requirements are greater than 10,000 m³ per year.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$110.33	
Delivery Charge		
First 1000 m ³ per month	26.4949	¢ per m ³
Next 6000 m ³ per month	23.8455	¢ per m ³
Over 7000 m ³ per month	22.6530	¢ per m ³
Upstream Charges		
Upstream Recovery charge	2.9200	¢ per m ³
Transportation and Storage charge	5.6413	¢ per m ³
Rate Rider for Delay in Revenue Recovery	0.9090	¢ per m ³
- effective for 10 years ending December 31, 2028		
ECVA Rate Rider	0.2778	¢ per m ³
- effective for 12 months ending December 31, 2023		
CIACVA Rate Rider	3.1385	¢ per m ³
- effective for 12 months ending December 31, 2023		
MTVA Rate Rider	(3.4040)	¢ per m ³
- effective for 12 months ending December 31, 2023		
Federal Carbon Charge (if applicable) ⁽²⁾	12.39	¢ per m ³
Facility Carbon Charge	0.0011	¢ per m ³
Gas Supply Charge	16.3574	¢ per m ³

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

⁽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.

Direct Purchase Delivery

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

applicable for Rate T1 customers.

Terms and Conditions of Service

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

Effective: October 1, 2023

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

EB-2023-0270

RATE 11 - Large Volume Seasonal Service

Applicability

Any customer in ENGLP's Southern Bruce Natural Gas System who is an end user and whose gas requirements are only during the period of May 1 through Dec 15 inclusive and are greater than 10,000 m³.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$219.66
Delivery Charge	
All volumes delivered	16.4578 ¢ per m ³
Upstream Charges	
Upstream Recovery charge	0.0352 ¢ per m ³
Transportation and Storage charge	1.8166 ¢ per m ³
Rate Rider for Delay in Revenue Recovery	0.5524 ¢ per m ³
- effective for 10 years ending December 31, 2028	
ECVA Rate Rider	0.1857 ¢ per m ³
- effective for 12 months ending December 31, 2023	
CIACVA Rate Rider	0.6074 ¢ per m ³
- effective for 12 months ending December 31, 2023	
MTVA Rate Rider	(0.6604) ¢ per m ³
- effective for 12 months ending December 31, 2023	
Federal Carbon Charge (if applicable) ⁽²⁾	12.39 ¢ per m ³
Facility Carbon Charge	0.0011 ¢ per m ³
Gas Supply Charge	16.3574 ¢ per m ³

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

⁽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.

Unaccounted for Gas (UFG):

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

Forecasted Unaccounted for Gas Percentage	0.00 %
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Overrun Charges:

Any volume of gas taken during the period of December 16 through April 30 inclusive shall constitute “Overrun

Gas” and must be authorized in advance by ENGLP. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges. ENGLP will not unreasonably withhold authorization.

Authorized Overrun Charge

17.1499 ¢ per m³

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

Unauthorized Overrun Charge

410.6817 ¢ per m³

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

Nominations:

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

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

The nomination calculation shall equal:

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

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

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

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

Load Balancing:

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

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

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

Direct Purchase Delivery

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

Terms and Conditions of Service

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

Effective: October 1, 2023

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

EB-2023-0270

RATE 16 – Contracted Firm Service

Applicability

Any customer connected directly to ENGLP's Southern Bruce Natural Gas High Pressure Steel System and who enters into a contract with ENGLP for firm contract daily demand of at least 2,739m³.

Rate

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

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

Monthly Fixed Charge ⁽¹⁾	\$1,608.77	
Delivery Charge		
Per m ³ of Contract Demand	109.6650	¢ per m ³
 Upstream Charges		
Upstream Recovery charge per m ³ of Contract Demand	14.2434	¢ per m ³
Transportation charge per m ³ of Contract Demand		
Transportation from Dawn	18.2999	¢ per m ³
Transportation from Kirkwall	11.8480	¢ per m ³
Transportation from Parkway	11.8480	¢ per m ³
 Rate Rider for Delay in Revenue Recovery	0.0601	¢ per m ³
- effective for 10 years ending December 31, 2028		
CIACVA Rate Rider	4.5311	Per m ³ of Contract Demand
- effective for 12 months ending December 31, 2023		
MTVA Rate Rider	(4.5564)	Per m ³ of Contract Demand
- effective for 12 months ending December 31, 2023		
Federal Carbon Charge (if applicable) ⁽²⁾	12.39	¢ per m ³
Facility Carbon Charge	0.0011	¢ per m ³

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

⁽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.

Unaccounted for Gas:

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

Forecasted Unaccounted for Gas Percentage 0.00 %

Overrun Charges:

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

Authorized Overrun Charge 5.3592 ¢ per m³

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

Unauthorized Overrun Charge 410.7873 ¢ per m³

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

Nominations:

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

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

The nomination calculation shall equal:

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

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

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

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

Load Balancing:

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

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

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

Gas Supply:

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

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

The Gas Supply calculation shall equal:

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

Terms and Conditions of Service

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

Effective: October 1, 2023

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

EB-2023-0270

RATE T1 – Direct Purchase Contract Rate

Availability

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

Eligibility

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

Rate

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

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

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

Unaccounted for Gas:

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

Forecasted Unaccounted for Gas Percentage	0.00 %
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Gas Supply:

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

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

The Gas Supply calculation shall equal:

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

Terms and Conditions of Service

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

Effective: October 1, 2023

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

EB-2023-0270

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		
22		
23	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
24	Installation of Service Lateral ⁽³⁾	No charge for the first 30 meters

Note: Applicable taxes will be added to the above charges

³ No Charge for initial connection

APPENDIX “B” TO
DECISION AND RATE ORDER
OEB File No: EB-2023-0270
Dated: September XX, 2023

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Accounting Entries for the Purchased Gas Commodity Variance Account

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

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

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

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

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

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

APPENDIX “C” TO
DECISION AND RATE ORDER
OEB File No: EB-2023-0270
Dated: September XX, 2023

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

Gas Prices:

As of October 1, 2023, the price of gas and gas transportation will be **increasing** by \$0.005591 per cubic meter to \$0.163574 per cubic meter. The Ontario Energy Board has approved this change to reflect the prices that EPCOR expects it will be paying to suppliers through to the end of September, 2024. On your gas bill this cost is on the line titled "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 on your bill is based on forecasted gas and transportation costs, which are reviewed by the OEB and reconciled with actual costs. The gas portion gets adjusted regularly throughout the year as the price of gas changes.

How will the price change impact you?

That will depend on the amount of gas you use. For a typical residential customer who consumes approximately 2,150 cubic meters of gas annually, this price change will **raise** your annual heating costs by approximately \$12 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.

**Note: Transportation costs refer to costs to get gas into the system; delivery costs refer to the costs to get gas to a specific property.*

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

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