



Ontario  
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**BY EMAIL**

March 11, 2024

Ms. Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: EPCOR Natural Gas Limited Partnership  
2024 April QRAM  
OEB Staff Interrogatories  
Ontario Energy Board File Number: EB-2024-0100**

Please find attached the OEB staff interrogatories for the above proceeding. This document has been sent to EPCOR Natural Gas Limited Partnership on March 11, 2024.

In the context of the accelerated timelines applied to QRAM applications, OEB staff requests responses to these questions no later than March 12, 2024.

Yours truly,

Arturo Lau  
Advisor, Natural Gas Applications

Encl.

**OEB Staff Questions  
EPCOR Natural Gas Limited Partnership  
EB-2024-0100**

Please note, EPCOR Natural Gas Limited Partnership (EPCOR) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

OEB staff's questions below focus only on the reference price error and the billing error and OEB staff may have further questions with respect to the April 2024 QRAM application, which will be filed as soon as possible.

In the context of the accelerated timelines applied to QRAM applications, OEB staff requests responses to these questions no later than March 12, 2024.

**Staff. 1**

**Ref:** EB-2024-0100 Application, p. 10  
EB-2024-0100 Application, Schedule 2  
EB-2023-0338 Application, Schedule 2

**Preamble:**

EPCOR noted that, while preparing the current QRAM, it discovered an error in the reference price recorded for October 2023 to December 2023. In Schedule 2 of EB-2023-0388 the reference price was erroneously recorded as \$0.179429 per m<sup>3</sup>. In this QRAM application, the reference price for the period has been corrected to the approved rate of \$0.161348 per m<sup>3</sup>. By correcting the reference price for October to December 2023 in schedule 2 in this application, the proposed reference price and inventory rate to clear the PGCVA and the GPRA would capture the discrepancy caused by the incorrect rate recorded in schedule 2.

**Questions:**

- a) Please confirm that the application where the error was recorded is EB-2023-0338 (not EB-2023-0388).
- b) Please confirm that the error was in favour of ratepayers and confirm that the calculation set out below that attempts to quantify the magnitude of the error (i.e., ratepayers were refunded \$67,994 more than they should have been refunded) is correct.

Jan 2024 QRAM	Oct (m3)	Nov (m3)	Dec (m3)	Total (m3)	Ref Price Applied (\$)	Approved Ref Price (\$)	Var Ref Price (\$)	Var Total (\$)
	546,132.00	1,984,503.00	1,229,869.00	3,760,504.00	0.179429	0.161348	(0.018081)	\$ (67,993.67)

- c) Please confirm that the calculation below that attempts to show the impact of EPCOR's proposed approach to correcting the error in the current application (i.e., ratepayers will now pay back \$71,138 to fix the error from the previous period) is correct.

April 2024 QRAM	Oct (m3)	Nov (m3)	Dec (m3)	Total (m3)	Ref Price Applied (\$)	Approved Ref Price (\$)	Var Ref Price (\$)	Var Total (\$)
	546,132.00	1,987,286.00	1,400,996.00	3,934,414.00	0.179429	0.161348	0.018081	\$ 71,138.14

- d) Please explain why collecting an additional \$3,144 (based on the difference between the totals calculated in the above tables) is appropriate.
- e) Please confirm that EPCOR's proposed approach to correct the error makes the company whole related to the error but does not enrich the utility relative to the situation where the error was not made in the first place.
- f) Please advise whether simply debiting the PGCVA the \$67,994 amount instead of correcting the reference price (from \$0.179429/m<sup>3</sup> to \$0.161348/m<sup>3</sup>) would more accurately correct the error.
- g) Please provide the bill impacts for all rate classes (not only residential) based on EPCOR's proposal as set out in its application.
- h) Please provide the bill impacts for all rate classes (not only residential) based on not making a change to correct the reference price error in the current application (i.e., maintain the \$0.179429/m<sup>3</sup> in schedule 2 with no correction).

## Staff. 2

**Ref:** EB-2024-0100 Application, pp. 12-13  
EB-2024-0100 Application, Schedule 8

### Preamble:

In January 2024, EPCOR discovered a billing issue whereby a number of system gas customers were incorrectly billed a lower volume during the period of April 2021 to January 2024. Approximately 75 customers were impacted. *(Note that customers were still connecting to EPCOR's Southern Bruce gas system at various times during this*

period, so some of the customers were not impacted for the duration of this entire period). While this error does not impact volumes and cost associated with commodity purchase, it impacts throughput volume and the cumulative inventory recorded in Schedule 8. The cumulative impact of the volume up to the end of March 2023 was 540,880.52 m<sup>3</sup>, which is subtracted from the March 2023 cumulative inventory balance of 256,947 m<sup>3</sup> recorded in the previous QRAM filing (EB-2023-0338). Adjustments to the throughput volume for April 2023 through to January 2024 are recorded below:

	Throughput reported in EB- 2023-0388 (m <sup>3</sup> )	Billing Adjustment (m <sup>3</sup> )	Corrected Throughput reported in EB-2024-0100 (m <sup>3</sup> )
Apr-23	503,241	98,428	601,669
May-23	383,032	51,409	434,441
Jun-23	146,736	40,686	187,422
Jul-23	101,202	19,176	120,378
Aug-23	227,229	16,034	243,263
Sep-23	141,333	23,071	164,404
Oct-23	757,820	20,264	778,084
Nov-23*	2,068,321	49,171	2,117,493
Dec-23*	1,458,455	151,378	1,609,833
Jan-24*	1,678,266	124,631	1,802,897

\* Throughput reported in EB-2023-0338 for November 2023 to January 2024 were estimated values. Values shown in the table above are actuals

As a result, throughput volume recorded in Schedule 8 for April 2023 through January 2024, and the cumulative inventory reported as of March 2023, differs from the previous quarters' filing. The billing adjustment which lead to an increase in historical throughput volume reduces the inventory recorded in Schedule 8, leading to a reduction in the inventory rate.

Questions:

- a) Please confirm that this error only impacts the period April 2023 to January 2024 (as opposed to April 2021 as referenced in the above preamble). If this is not correct, please explain why the adjustment is only being made during the April 2023 to January 2024 period.
- b) Please further describe the billing issue as follows:
  - i. Why were customers billed a lower volume (e.g., was this a metering issue, a billing system issue, etc.)?
  - ii. Please explain why this error only impacts the throughput value (and cumulative inventory) and not volumes and the costs collected from

- customers associated with the natural gas commodity.
- iii. Please explain whether EPCOR has sought additional payments from these 75 customers (or this is an internal error related to the QRAM only and customers have actually been billed the correct amounts).
  - iv. Please explain the statement that “the cumulative impact of the volume up to the end of March 2023 was 540,880.52 m<sup>3</sup>, which is subtracted from the March 2023 cumulative inventory balance of 256,947 m<sup>3</sup> recorded in the previous QRAM filing (EB-2023-0338)” and reconcile the statement to the table provided (as copied in the preamble above).
- c) Please provide the total impact (in dollars) resulting from the correction proposed by EPCOR.
- d) Please provide the bill impacts for all rate classes (not only residential) based on EPCOR’s proposal as set out in its application (maintaining the proposal for the reference price correction).
- e) Please provide the bill impacts for all rate classes based on not making a change to correct the billing error in the current application (maintaining the proposal for the reference price correction).

**Staff. 3**

**Ref:** EB-2024-0100 Application

Questions:

- a) Please advise whether EPCOR has any concerns with the OEB approving the rates resulting from the application on an interim basis only (and creating additional process to deal with the errors in the coming months to conclude prior to the filing of the July 2024 QRAM).