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DECISION AND INTERIM RATE ORDER

EB-2024-0100

EPCOR NATURAL GAS LIMITED PARTNERSHIP- SOUTH BRUCE

**Application for quarterly rate adjustment
mechanism commencing April 1, 2024**

By Delegation, Before: Theodore Antonopoulos
Vice President
Applications

March 21, 2024

INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) filed an application with the Ontario Energy Board (OEB) on March 8, 2024 for an order approving just and reasonable rates and other charges for the sale of natural gas commencing April 1, 2024 for its South Bruce service area (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 gas costs.¹

The Application also includes the implementation of the update to the Federal Carbon Charge and the Facilities Carbon Charge previously approved by the OEB in EPCOR's 2024 Federal Carbon Pricing Program Application.²

EPCOR provided written evidence in support of the proposed changes. EPCOR provided the Application to all parties of record in EPCOR South Bruce's last major rates proceedings.³

In the Application, EPCOR requested approval to correct two errors that were made historically. The first error is a reference price error in which EPCOR applied the incorrect reference price to the October to December 2023 volumes in the Purchased Gas Commodity Variance Account (PGCVA) (Reference Price Error). This error was made in the January 2024 QRAM application.⁴ The second error was a billing error whereby approximately 75 customers were incorrectly billed for lower volumes during the period April 2021 to January 2024 (Billing Error).

Parties and OEB staff wishing to file questions or comments on the Application were required to file these questions and comments with the OEB by March 13, 2024. On March 11, 2024, OEB staff filed questions for EPCOR. Specifically, OEB staff asked clarifying questions regarding the two errors identified by EPCOR in its Application. EPCOR filed its responses on March 12, 2024.

On March 13, 2024, OEB staff filed a comment letter in which it submitted that the OEB should approve the Application as filed on an interim basis and that a subsequent

¹ EB-2008-0106

² EB-2023-0274

³ EB-2018-0264 and EB-2019-0264

⁴ EB-2023-0338

process be established for further discovery and argument with respect to the two errors.⁵

On March 14, 2024, OEB staff filed an additional comment letter in which it noted that the heat value used in the Application (39.09GJ/10³m³) differs from the heat value used by Enbridge Gas Inc. (Enbridge Gas) for its Union South rate zone (39.17GJ/10³m³).⁶ On March 13, 2024, in response to an OEB staff question on Enbridge Gas's April 2024 QRAM application, Enbridge Gas confirmed that the 39.17 GJ/10³m³ heat value referenced in its application is the correct value.⁷ OEB staff submitted that the determination of the appropriate heat value that should be applied in the South Bruce service area should also be addressed as part of the subsequent process that OEB staff submitted should be established to address the Reference Price Error and the Billing Error.⁸

EPCOR did not submit any final comments on its Application.

FINDINGS

The OEB approves the Application as filed on an interim basis. The OEB notes that the bill impact resulting from the Application as filed (inclusive of the proposed corrections to the Reference Price Error and the Billing Error) is a decrease for a typical residential customer that purchases its gas from EPCOR.

The Reference Price and Billing Errors

The OEB notes that this Application is not the first in which EPCOR has identified errors or has made undocumented methodological change proposals that required further clarification.⁹ The OEB also notes that in EPCOR's most recent QRAM proceeding for January 2024 rates, the OEB explicitly stated that "[a]pplicants are responsible for providing comprehensive and accurate evidence."¹⁰

⁵ EB-2024-0100, OEB Staff Comment Letter, March 13, 2024

⁶ EB-2024-0099, EPCOR Response to Questions, March 13, 2024, Staff 1

⁷ EB-2024-0093, Enbridge Gas Inc., Response to OEB Staff Questions, March 13, 2024

⁸ EB-2024-0100, OEB Staff Additional Comment Letter, March 14, 2024

⁹ For example, OEB staff noted changes to actual purchase cost between two QRAM applications and EPCOR explained that it changed its methodology to calculate actual purchase costs (EB-2023-0338); EPCOR made an unexplained update to the RNG pricing formula relative to the formula applied in previous QRAM applications (EB-2023-0269); OEB staff noted that there was an error in the pre-filed application in Schedule C and EPCOR filed an updated Schedule C prior to the decision being issued (EB-2023-0159).

¹⁰ EB-2023-0338, Decision and Rate Order, December 19, 2023

The OEB finds that due to the accelerated timelines allowed for the review of QRAM applications (i.e., less than 14 days from filing to decision), additional time is needed for a comprehensive review of the errors described in the Application, and to address the discrepancy between the heat values used by EPCOR and Enbridge Gas in their respective April 2024 QRAM applications. As such, the OEB will approve the proposed rates on an interim basis and recommends that further discovery and argument be allowed in a subsequent process, failing which, the matters will be addressed in the July 2024 QRAM proceeding. In accordance with the OEB's [October 31, 2019 letter](#) regarding the correction of pass-through costs, the OEB may explore further the nature of the errors and the appropriate approach to finalizing the rates for the subject period.

The OEB notes that such an extended proceeding was contemplated in the OEB's announcement of its new performance standards for QRAM applications in its [March 29, 2023 letter](#).

April 1, 2024 QRAM Proposals

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

EPCOR's South Bruce rates will be adjusted effective April 1, 2024 on an interim basis to reflect a 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 March 2025.

For the purpose of this interim decision, the OEB finds that the proposed gas commodity charge is set appropriately to reflect the change in the PGVCA reference price and the change in the recovery amount for inventory revaluation recorded in the Gas Purchase Rebalancing Account (GPRA). The PGVCA reference price is adjusted, effective April 1, 2024, based on: (a) the estimated accumulated balance in the account as of the end of March 2024; and (b) the forecasted cost of natural gas over the next 12-month period. The PGVCA reference price is set to bring the PGVCA balance to nearly zero over a 12-month period. The GPRA recovery amount is similarly set to bring the GPRA balance to nearly zero over a 12-month period.

The annual commodity rate impact for a typical South Bruce residential customer who purchases their gas supply from EPCOR is a decrease of approximately \$87 or 26.1%. The total annual bill impact for a typical South Bruce residential customer who purchases their gas supply from EPCOR is a decrease of approximately \$25 or 1.5%.

The total annual bill impact, described above, includes the implementation of the Federal Carbon Charge and Facilities Carbon Charge (collectively, an annual bill increase of approximately \$62) as previously approved by the OEB.¹¹

¹¹ EB-2023-0274, Decision and Order, February 22, 2024

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The rates approved for EPCOR's South Bruce service area as part of the Decision and Rate Order in EB-2023-0338, dated December 19, 2023 shall be superseded on an interim basis by the rates as provided in Appendix A to this Decision and Interim Rate Order.
2. The interim rates shall be effective April 1, 2024 and shall be implemented in EPCOR's first billing cycle commencing in April 2024.
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 decrease by \$0.036438 per m³ from the previous OEB approved level of \$0.152490 to **\$0.116052** per m³ on an interim basis.
4. The balance in the Gas Purchase Rebalancing Account shall be prospectively cleared. The Gas Purchase Rebalancing Account recovery amount shall decrease by \$0.003821 from the previous OEB approved level of \$0.001615 per m³ to **-\$0.002206** per m³ on an interim basis. The resulting gas supply charge will decrease from the previous OEB-approved level of \$0.154105 per m³ to **\$0.113846** per m³ on an interim basis as noted in Appendix A to this Decision and Interim Rate Order.
5. EPCOR is to communicate the rate decrease resulting from this Decision and Interim Rate Order to its South Bruce customers.
6. EPCOR shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

ISSUED at Toronto, March 21, 2024

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

**APPENDIX A TO
DECISION AND INTERIM RATE ORDER
OEB FILE NO. EB-2024-0100
DATED: March 21, 2024**

RATE 1 - General Firm Service

Applicability

Any customer in EPCOR’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⁾	\$28.45	
Delivery Charge		
First 100 m ³ per month	29.4035	¢ per m ³
Next 400 m ³ per month	28.8243	¢ per m ³
Over 500 m ³ per month	27.9729	¢ 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	0.1727	¢ per m ³
- effective for 12 months ending December 31, 2024		
CIACVA Rate Rider	2.3327	¢ per m ³
- effective for 12 months ending December 31, 2024		
MTVA Rate Rider	(2.2906)	¢ per m ³
- effective for 12 months ending December 31, 2024		
ORDA Rate Rider	(0.0893)	¢ per m ³
- effective for 12 months ending December 31, 2024		
Federal Carbon Charge (if applicable) ⁽²⁾	15.25	¢ per m ³
Facility Carbon Charge	0.0013	¢ per m ³
Gas Supply Charge	11.3846	¢ 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: April 1, 2024

Implementation: All bills rendered on or after April 1, 2024

EB-2024-0100

RATE 6 – Large Volume General Firm Service

Applicability

Any customer in EPCOR’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⁾	\$112.93	
Delivery Charge		
First 1000 m ³ per month	27.1255	¢ per m ³
Next 6000 m ³ per month	24.4130	¢ per m ³
Over 7000 m ³ per month	23.1921	¢ 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	0.1905	¢ per m ³
- effective for 12 months ending December 31, 2024		
CIACVA Rate Rider	3.1292	¢ per m ³
- effective for 12 months ending December 31, 2024		
MTVA Rate Rider	(3.9875)	¢ per m ³
- effective for 12 months ending December 31, 2024		
ORDA Rate Rider	(0.0759)	¢ per m ³
- effective for 12 months ending December 31, 2024		
Federal Carbon Charge (if applicable) ⁽²⁾	15.25	¢ per m ³
Facility Carbon Charge	0.0013	¢ per m ³
Gas Supply Charge	11.3846	¢ 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: April 1, 2024

Implementation: All bills rendered on or after April 1, 2024

EB-2024-0100

RATE 11 - Large Volume Seasonal Service

Applicability

Any customer in EPCOR’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⁾	\$224.86
Delivery Charge	
All volumes delivered	16.8495 ¢ 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	0.1427 ¢ per m ³
- effective for 12 months ending December 31, 2024	
CIACVA Rate Rider	0.6059 ¢ per m ³
- effective for 12 months ending December 31, 2024	
MTVA Rate Rider	(0.7740) ¢ per m ³
- effective for 12 months ending December 31, 2024	
ORDA Rate Rider	(0.0294) ¢ per m ³
- effective for 12 months ending December 31, 2024	
Federal Carbon Charge (if applicable) ⁽²⁾	15.25 ¢ per m ³
Facility Carbon Charge	0.0013 ¢ per m ³
Gas Supply Charge	11.3846 ¢ 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 %

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 EPCOR. Delivery of these volumes is available at the Authorized Overrun Charge in addition to applicable Upstream Charges and Gas Supply Charges. EPCOR will not unreasonably withhold authorization.

Authorized Overrun Charge 17.5581 ¢ per m³

Any volume of gas taken during the period of December 16 through April 30 inclusive without EPCOR’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 420.4559 ¢ per m³

For any volume of Unauthorized Overrun Gas taken, the customer shall, in addition, indemnify EPCOR in respect of any penalties or additional costs imposed on EPCOR 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 EPCOR 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 EPCOR, 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 EPCOR’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 EPCOR. 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 EPCOR’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 EPCOR 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 EPCOR’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 EPCOR, the customer or their agent must enter into a T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR at a receipt point listed on the upstream transportation contract that EPCOR 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 EPCOR, 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 EPCOR. All service during the period December 16 through April 30 inclusive shall be subject to EPCOR’s prior authorization under the daily nomination procedures outlined in this Rate Schedule and shall constitute Overrun Gas.
2. To the extent that EPCOR’s Upstream Service Provider provides any seasonal or day-to-day balancing rights for EPCOR, the customer shall be entitled to a reasonable proportion of such balancing rights as determined by EPCOR from time to time. If the customer utilizes any of EPCOR’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 EPCOR, acting reasonably.

3. EPCOR 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: April 1, 2024

Implementation: All bills rendered on or after April 1, 2024

EB-2024-0100

RATE 16 – Contracted Firm Service

Applicability

Any customer connected directly to EPCOR’s Southern Bruce Natural Gas High Pressure Steel System and who enters into a contract with EPCOR 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⁾	\$1,647.03	
Delivery Charge		
Per m ³ of Contract Demand	112.2750	¢ 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	4.7721	Per m ³ of Contract Demand per month
- effective for 12 months ending December 31, 2024		
MTVA Rate Rider	(5.6380)	Per m ³ of Contract Demand per month
- effective for 12 months ending December 31, 2024		
ORDA Rate Rider	(0.0506)	Per m ³ of Contract Demand per month
- effective for 12 months ending December 31, 2024		
Federal Carbon Charge (if applicable) ⁽²⁾	15.25	¢ per m ³
Facility Carbon Charge	0.0013	¢ 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	%
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Overrun Charges:

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

Authorized Overrun Charge	5.4867	¢ per m ³
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Any volume of gas taken in excess of the daily Contract Demand or Peak Hourly Volume EPCOR is obligated to transport as per the contract with the customer without EPCOR’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	420.5640	¢ per m ³
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For any volume of Unauthorized Overrun Gas taken, the customer shall, in addition, indemnify EPCOR in respect of any penalties or additional costs imposed on EPCOR 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 EPCOR 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 EPCOR, 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 EPCOR’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 EPCOR. 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 EPCOR’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 EPCOR 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 EPCOR’s agreement with the Upstream Service Provider.

Gas Supply:

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

The customer must deliver to EPCOR 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. EPCOR 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: April 1, 2024
Implementation: All bills rendered on or after April 1, 2024
EB-2024-0100

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 EPCOR. The availability of this option is subject to EPCOR obtaining a satisfactory agreement or arrangement with EPCOR’s Upstream Service Provider for direct purchase volume.

Eligibility

All customers who must, or elect to, purchase gas directly from a supplier other than EPCOR. These customers must enter into a T-Service Receipt Contract with EPCOR either directly or through their agent, for delivery of gas to EPCOR at a receipt point listed on the upstream transportation contract that EPCOR 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 EPCOR and are detailed in the Direct Purchase Contract with the customer or its agent.

For gas delivered to EPCOR at any point other than the Ontario Delivery Point, EPCOR will charge the customer or their agent all approved tolls and charges incurred by EPCOR 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 EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must deliver firm gas at a daily volume acceptable to EPCOR, 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 EPCOR 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:

*[(Daily volume of gas to be delivered) * (1 + Forecasted UFG) * (1 + 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: April 1, 2024

Implementation: All bills rendered on or after April 1, 2024

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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		
22		
23	Meter Tested at Customer Request Found to be Accurate	Charge based on actual costs
24	Installation of Service Lateral ¹	No charge for the first 30 meters

Note: Applicable taxes will be added to the above charges

¹ No Charge for Initial Connection