Ontario Energy Board | Commission de l'énergie de l'Ontario

DECISION AND INTERIM RATE ORDER

EB-2024-0338

EPCOR NATURAL GAS LIMITED PARTNERSHIP - SOUTH BRUCE

Application for quarterly rate adjustment mechanism commencing January 1, 2025

By Delegation, Before: **Theodore Antonopoulos**
Vice President
Major Applications

December 19, 2024

INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) filed an application with the Ontario Energy Board (OEB) on December 5, 2024 for an order approving just and reasonable rates and other charges for the sale of natural gas commencing January 1, 2025 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]

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.[2]

EPCOR provided two options for the OEB's consideration as a result of the total bill impact being forecasted to be greater than 10%: one with no rate mitigation and one with rate mitigation. Also in this application, EPCOR continues to seek approval for the commodity cost consequence of using compressed natural gas (CNG) that was first introduced in EPCOR's October 2024 QRAM.

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 December 10, 2024. On December 9, 2024, OEB staff filed questions for EPCOR. Specifically, OEB staff asked clarifying questions regarding the proposed rate mitigation option, interim rates, and certain discrepancies in the application. EPCOR filed its responses on December 10, 2024.

For the reasons set out below, the OEB approves the application as amended, on an interim basis without mitigation.

Rate Mitigation

The OEB approved changes to distribution rates and the disposition of certain deferral and variance accounts in EPCOR's 2025 Rates proceeding.[3] Based on the forecast increase in natural gas prices, updated distribution rates, and temporary rate riders, the

[1] EB-2008-0106
[2] EB-2018-0264 and EB-2019-0264
[3] EB-2024-0238, Decision and Order, December 3, 2024

increase to the total annual bill effective January 1, 2025 for a typical residential customer[4] who purchases its natural gas supply from EPCOR would be 10.2%.[5]

As part of the application, EPCOR provided two options for the OEB's consideration: i) no rate mitigation and ii) to extend the recovery of the approved Customer Volume Variance Account (CVVA) from 12 months to 18 months.

The annual bill impacts of the proposed rate mitigation plan for a typical residential customer who purchases its gas supply from EPCOR - South Bruce are depicted in Table 1 below.

Table 1: Rate Mitigation Plan - Annual Bill Impacts

	Rate Rider Portion Impact		**Total Annual Bill Impact**	
	$	**%**	**$**	**%**
No rate mitigation (CVVA recovered over 12 months)	$121.66	321.9%	$172.17	10.2%
Rate mitigation (CVVA recovered over 18 months)	$100.18	265.1%	$150.69	9.0%
Impact of Mitigation	($21.48)	(56.80%)	($21.48)	(1.20%)

In response to questions, EPCOR recommended the no rate mitigation option as the impact is slightly over 10% and customers will pay less with a 12-month implementation.[6] EPCOR stated that if the rate mitigation option were selected (i.e. 18-month implementation), the carrying charges would increase by approximately $3,600.

CNG Pilot

As it did in its October QRAM application, EPCOR requested approval of the commodity cost consequence of using compressed natural gas (CNG). EPCOR purchased 58,587 m^3 of CNG during the period of October – December 2024 at a market price without markup.[7] EPCOR stated that the remaining costs, including the delivery portion of the M2 rates, will be included in the Storage and Transportation Variance Account balance for disposition expected in its 2025 annual update for 2026 rates.[8] The CNG pilot is a component of EPCOR's 2024 Gas Supply Plan (GSP) that is currently undergoing a consultation with the OEB.[9]

[4] A typical residential customer in South Bruce uses about 2,149 cubic metres of natural gas per year
[5] EB-2024-0338, Schedule 9
[6] EPCOR's Response to OEB Staff Questions, December 10, 2024
[7] EB-2024-0338, p. 13
[8] Ibid.
[9] EB-2024-0139

EPCOR confirmed that it would be open to the OEB continuing the approval of interim rates in this QRAM pending the outcome of the GSP consultation.[10]

FINDINGS

The OEB approves the Application as amended in response to OEB staff question 5, on an interim basis.

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 commodity rates will be adjusted effective January 1, 2025 to reflect an overall increase in forecast natural gas prices and distribution rates, and the prospective recovery of the projected 12-month balances in the gas supply deferral and variance accounts for the period ending December 2025.

The OEB finds that the proposed gas commodity charge is set appropriately to reflect the change in the Purchase Gas Commodity Variance Account (PGCVA) reference price and the change in the recovery amount for inventory revaluation recorded in the Gas Purchase Rebalancing Account (GPRA). The PGCVA reference price is adjusted, effective January 1, 2025, based on: (a) the estimated accumulated balance in the account as of the end of December 2024; and (b) the forecasted cost of natural gas over the next 12-month period. The PGCVA reference price is set to bring the PGCVA balance to nearly zero over a 12-month period. The GPRA recovery amount is similarly set to bring the GPRA balance to nearly zero over a 12-month period.

The total annual bill impact for a typical South Bruce residential customer who purchases their gas supply from EPCOR is an increase of approximately $172 or 10.2%.

[10] EPCOR's Response to OEB Staff Questions, December 10, 2024

The OEB finds that mitigation is not required given that the impacts are driven by previous credit riders concluding and being replaced with debit riders, and the 12-month recovery of the CVVA. These changes were approved in previous applications.

The OEB notes that the total bill impact for an average residential customer is marginally above 10% and that any additional smoothing of the CVVA would mean additional costs for ratepayers and not lead to a significant reduction on the total bill.

As per the Decision and Interim Rate Order for the October 2024 QRAM application, the proposed rates will remain interim pending the outcome of the OEB's review of EPCOR's Gas Supply Plan that includes the CNG Pilot proposal.[11]

[11] EB-2024-0267, Decision and Interim Rate Order, September 24, 2024

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The rates approved for EPCOR Natural Gas Limited Partnership's South Bruce service area as part of the Decision and Interim Rate Order in EB-2024-0267, dated September 24, 2024, shall be superseded on an interim basis by the rates as provided in Appendix A to this Decision and Interim Rate Order.

2. The rates approved shall be effective January 1, 2025 and shall be implemented in EPCOR Natural Gas Limited Partnership's first billing cycle commencing in January 2025.

3. The reference price for use in determining the amounts to be recorded in the Purchase Gas Commodity Variance Account shall increase by \$0.014434 per m^3 from the previous OEB approved level of \$0.121758 to **\$0.136192** per m^3.

4. The balance in the Gas Purchase Rebalancing Account shall be prospectively cleared. The Gas Purchase Rebalancing Account recovery amount shall increase by \$0.000168 per m^3 from the previous OEB approved level of -\$0.000190 per m^3 to -**\$0.000022** per m^3.

5. The resulting gas supply charge will increase from the previous OEB-approved level of \$0.121568 per m^3 to **\$0.136170** per m^3 as noted in Appendix A to this Decision and Interim Rate Order.

6. EPCOR Natural Gas Limited Partnership shall notify its South Bruce customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

ISSUED at Toronto, December 19, 2024

ONTARIO ENERGY BOARD

Nancy Marconi
Digitally signed by Nancy Marconi
Date: 2024.12.19 14:27:38 -05'00'

Nancy Marconi
Registrar

APPENDIX A TO

DECISION AND INTERIM RATE ORDER

OEB FILE NO. EB-2024-0338

DATED: December 19, 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 m^3 per year.

Rate

Rates per m^3 assume an energy content of 38.89MJ/m^3

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

Monthly Fixed Charge [(1)]	$29.00	
Delivery Charge		
First 100 m^3 per month	29.9921	¢ per m^3
Next 400 m^3 per month	29.4012	¢ per m^3
Over 500 m^3 per month	28.5328	¢ 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	0.2481	¢ per m^3
- effective for 12 months ending December 31, 2025		
CIACVA Rate Rider	2.3088	¢ per m^3
- effective for 12 months ending December 31, 2025		
MTVA Rate Rider	0.5052	¢ per m^3
- effective for 12 months ending December 31, 2025		
ORDA Rate Rider	(0.2738)	¢ per m^3
- effective for 12 months ending December 31, 2025		
CVVA Rate Rider	$5.37	$ per month
- effective for 12 months ending December 31, 2025		
Federal Carbon Charge (if applicable) [(2)]	15.25	¢ per m^3
Facility Carbon Charge	0.0013	¢ per m^3
Gas Supply Charge	13.6170	¢ 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 EPCOR, 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 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

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: January 1, 2025
Implementation: All bills rendered on or after January 1, 2025
EB-2024-0338

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 m^3 per year.

Rate

Rates per m^3 assume an energy content of 38.89MJ/m^3

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

Monthly Fixed Charge [1]	$115.17	
Delivery Charge		
First 1000 m^3 per month	27.6684	¢ per m^3
Next 6000 m^3 per month	24.9017	¢ per m^3
Over 7000 m^3 per month	23.6564	¢ 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	0.2815	¢ per m^3
- effective for 12 months ending December 31, 2025		
CIACVA Rate Rider	3.0469	¢ per m^3
- effective for 12 months ending December 31, 2025		
MTVA Rate Rider	0.8651	¢ per m^3
- effective for 12 months ending December 31, 2025		
ORDA Rate Rider	(0.2291)	¢ per m^3
- effective for 12 months ending December 31, 2025		
CVVA Rate Rider	($43.46)	$ per month
- effective for 12 months ending December 31, 2025		
Federal Carbon Charge (if applicable) [2]	15.25	¢ per m^3
Facility Carbon Charge	0.0013	¢ per m^3
Gas Supply Charge	13.6170	¢ 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 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

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: January 1, 2025
Implementation: All bills rendered on or after January 1, 2025
EB-2024-0338

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 m^3.

Rate

Rates per m^3 assume an energy content of 38.89MJ/m^3

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

Monthly Fixed Charge [(1)]	$229.35	
Delivery Charge		
All volumes delivered	17.1868	¢ 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	0.1847	¢ per m^3
- effective for 12 months ending December 31, 2025		
CIACVA Rate Rider	0.5789	¢ per m^3
- effective for 12 months ending December 31, 2025		
MTVA Rate Rider	0.1648	¢ per m^3
- effective for 12 months ending December 31, 2025		
ORDA Rate Rider	(0.0870)	¢ per m^3
- effective for 12 months ending December 31, 2025		
Federal Carbon Charge (if applicable) [(2)]	15.25	¢ per m^3
Facility Carbon Charge	0.0013	¢ per m^3
Gas Supply Charge	13.6170	¢ 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	17.9093	¢ per m^3

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	428.8650	¢ per m^3

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:

[(Daily volume of gas to be delivered) * (1 + 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: January 1, 2025
Implementation: All bills rendered on or after January 1, 2025
EB-2024-0338

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 2,739m^3.

Rate

Rates per m^3 assume an energy content of 38.89MJ/m^3

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

Monthly Fixed Charge [(1)]	$1,679.98	
Delivery Charge		
Per m^3 of Contract Demand	114.5223	¢ 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	4.7092	Per m^3 of Contract Demand per month
- effective for 12 months ending December 31, 2025		
MTVA Rate Rider	1.2397	Per m^3 of Contract Demand per month
- effective for 12 months ending December 31, 2025		
ORDA Rate Rider	(0.1547)	Per m^3 of Contract Demand per month
- effective for 12 months ending December 31, 2025		
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	%

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	5.5964	¢ per m^3

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	428.9753	¢ per m^3

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

[(Daily volume of gas to be delivered) * (1 + Forecasted UFG) * (1 + 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: January 1, 2025
Implementation: All bills rendered on or after January 1, 2025
EB-2024-0338

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	%

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: January 1, 2025
Implementation: All bills rendered on or after January 1, 2025
EB-2024-0338

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Schedule of Miscellaneous and Service Charges

	A Service	B 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