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

DECISION AND RATE ORDER

EB-2025-0097

EPCOR NATURAL GAS LIMITED PARTNERSHIP - SOUTHERN BRUCE

Application for quarterly rate adjustment mechanism commencing April 1, 2025

Before: **David Sword**
Presiding Commissioner

March 27, 2025

INTRODUCTION AND PROCESS

EPCOR Natural Gas Limited Partnership (EPCOR) filed an application with the Ontario Energy Board (OEB) on March 7, 2025 (amended March 19, 2025), for an order approving just and reasonable rates and other charges for the sale of natural gas commencing April 1, 2025 for its Southern Bruce service area. 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 OEB has an established process for reviewing QRAM information.[2] This process requires distributors, one month in advance of the normal QRAM filing date, to complete a preliminary estimate of the change in the commodity portion of a typical residential customer's bill who purchases its natural gas supply from the distributor. The preliminary estimate is based on a forecast of natural gas prices, including any true-ups for differences between actual and forecast natural gas prices for prior periods. In accordance with the QRAM process established by the OEB in a previous decision[3], the forecasted reference price must be based on the most current 21-day strip of market prices available at the time. If a distributor anticipates an increase or decrease of 25% or more on the commodity portion of a typical residential customer's bill, the distributor must file a letter with the OEB describing the anticipated increase or decrease and the cost drivers underpinning the anticipated change.

If a 25% or greater change on the commodity portion of a typical residential customer's bill is still anticipated when the QRAM application is filed, the distributor must file evidence that explains, in detail, the reasons for the rate increase or decrease. Where the change is an increase, the distributor must also propose a plan for rate mitigation.

In its original application filed on March 7th, EPCOR stated that based on the forecast increase in natural gas prices, absent mitigation, the increase to the commodity portion of the bill effective April 1, 2025, for a typical residential customer[4] who purchases their natural gas supply from EPCOR would be approximately 50%. In addition to increased commodity rates, EPCOR proposed implementing an increase in the federal carbon

[1] EB-2008-0106
[2] EB-2014-0199, Review of the Quarterly Rate Adjustment Mechanism, Decision and Order, August 14, 2014
[3] EB-2008-0106
[4] A typical residential customer in Southern Bruce uses about 2,149 cubic metres of natural gas per year

charge as previously approved by the OEB effective April 1, 2025.[5] This resulted in a total bill increase of 11.2% for a typical residential system supply Southern Bruce customer. EPCOR proposed a rate mitigation plan to limit commodity-related bill increases to 24.8% and total bill increases to 7.2%. EPCOR further noted that it would propose to recover the cost of the mitigation plan in a future QRAM application.

On March 19, 2025, EPCOR filed an amended application for Southern Bruce to reflect federal regulations amending Schedule 2 to the *Greenhouse Gas Pollution Pricing Act* and the *Fuel Charge Regulations*. EPCOR stated that these amendments set the federal carbon charge to zero, after March 31, 2025. With the removal of the federal carbon charge and the facility carbon charge, total bill impacts for sales service customers are decreasing. As a result, EPCOR indicated that it is no longer proposing a rate mitigation plan.

EPCOR provided written evidence in support of the proposed changes. EPCOR provided the application (original and amended) to all parties of record in EPCOR Southern Bruce's last major rates proceedings.[6]

Parties and OEB staff wishing to file questions or comments on the original application were required to file them with the OEB by March 12, 2025. The OEB also provided parties and OEB staff an opportunity to provide additional comments or questions on EPCOR's amended application by March 21, 2025. OEB staff filed a letter of comment on the original application and EPCOR filed a reply comment on March 16, 2025. OEB staff also filed a letter of comment on the amended application. EPCOR did not file a reply comment on the amended application.

For the reasons set out below, the OEB approves the amended application as filed.

SUMMARY OF THE APPLICATION AND BILL IMPACTS

On March 19, 2025, EPCOR filed an amended April 2025 QRAM application for Southern Bruce which included a request to remove the federal carbon charge and facility carbon charge as well as the rate mitigation plan included in the original application. EPCOR identified that after removing the federal carbon charge and facility carbon charge from the April 1 rate order, the bill impacts for a typical residential system supply customer would still exceed 25% of the commodity portion of the bill, but there would be an overall bill decrease. The bill impacts were prepared using a forecast of gas costs effective March 2025, based on a 21-day strip ending February 28, 2025, and resulted in commodity increases of approximately 50.0%.[7] EPCOR also proposed to

[5] EB-2024-0237, Decision and Order, January 28, 2025
[6] EB-2018-0264 and EB-2019-0264
[7] EB-2025-0097, Application, March 7, 2025

remove the federal carbon charge and facility carbon charge effective April 1, 2025. This resulted in a total bill decrease of 9.8% for a typical residential system supply Southern Bruce customer.

Since the overall bill impact is a decrease and natural gas prices are expected to remain elevated in the near term, EPCOR is no longer proposing a rate mitigation plan.
As per the amended application, the total annual bill impact for a typical residential customer who purchases their gas supply from EPCOR is a decrease of approximately $181, or 9.8%.

REASONS FOR THE CHANGES IN GAS SUPPLY COSTS

EPCOR stated that the combination of low storage levels, low production due to freeze-offs, increased demand in natural gas with colder than normal winter temperatures, and concerns for supply availability led to increases in natural gas prices. EPCOR expects natural gas prices to remain elevated for the upcoming summer and potentially beyond.

CNG PILOT

EPCOR is also seeking approval of rates on a final basis for the commodity cost consequence of using compressed natural gas (CNG) that was first introduced in EPCOR's October 2024 QRAM[8].

As it did in its January 2025 QRAM application[9], EPCOR indicated that the current application includes volumes of 28,587 m^3 of CNG purchased during the period of October – December 2024 at a market price without markup.[10] In its reply comments filed on March 16, 2025, EPCOR clarified that the volumes of CNG purchased during the period of October – December 2024 were actually 28,587 m^3, not 58,587 m^3 as originally stated in the application filed on March 7, 2025. 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.[11] The January 2025 QRAM Decision and Interim Order[12] found that the proposed rates would remain interim pending the outcome of the OEB's review of EPCOR's Gas Supply Plan that includes the CNG Pilot proposal. The OEB concluded its review of EPCOR's Gas Supply Plan with the issuance of the OEB Staff Report on February 28, 2025.[13] In this report, OEB staff stated that EPCOR's

[8] EB-2024-0267
[9] EB-2024-0338
[10] EB-2025-0097, Application, p. 16
[11] Ibid., p.17
[12] EB-2024-0338, Decision and Interim Rate Order, December 19, 2024
[13] EB-2024-0139, OEB Staff Report to the Ontario Energy Board

proposed pilot program to use CNG for Southern Bruce was reasonable as a temporary measure and the approval of the costs associated with it for the 2024/25 planning period should be made final.[14] The report also added that EPCOR should complete an analysis of options to alleviate the pressure issue for future planning periods as part of EPCOR's 2026 IRM filing. This includes cost estimates, timelines, recommendations, and any available historical or forecast information on the low-pressure system.[15] The OEB endorsed these recommendations in a letter filed February 28, 2025.

QUESTIONS AND COMMENTS

OEB staff comments on the original application

OEB staff submitted that EPCOR's proposed rate mitigation plan was acceptable and should be approved as filed as it was similar to EPCOR's rate mitigation methodology previously approved by the OEB. OEB staff suggested that EPCOR provide options for the OEB to consider in its next QRAM application related to the recovery of the proposed deferred PGVCA balance, depending on the bill impacts at that time.

Regarding EPCOR's request for approval of rates on a final basis for the commodity cost consequence of using CNG, OEB staff supported EPCOR's request.

OEB staff also requested that EPCOR confirm and correct certain discrepancies in its application. In its reply, EPCOR confirmed and corrected the discrepancies noted by OEB staff.

OEB staff comments on the amended application

OEB staff submitted that even though the commodity-related bill impact in the amended application is over 25%, customers will see an overall decrease in total bills and a rate mitigation plan is therefore not needed. OEB staff submitted that EPCOR's amended application achieves the intended purpose of the QRAM.

OEB staff noted that EPCOR is requesting to remove both the federal carbon charge and facility carbon charge from the April 1 rate order, whereas Enbridge Gas Inc. (Enbridge Gas) is only requesting to remove the federal carbon charge. OEB staff noted that it understands that only a portion of the costs recovered through Enbridge Gas's facility carbon charge will be impacted by the amendment in federal regulations, whereas EPCOR's own carbon pricing costs currently recovered through the facility carbon charge are fully covered by the amendment in federal regulations and will fall to

[14] Ibid., Appendix C
[15] Ibid.

zero. OEB staff submitted that it does not have any objections to EPCOR's request to remove the facility carbon charge from the April 1 rate order.

FINDINGS

The OEB approves EPCOR's amended QRAM application, as filed on March 19, 2025, without any rate mitigation.

EPCOR's original QRAM application included a rate mitigation strategy, in line with OEB guidelines, due to gas commodity increases exceeding 25%, which resulted in an overall customer bill impact greater than 10%. This rate mitigation plan was considered appropriate at the time.

However, on March 15, 2025, the Government of Canada set the consumer fuel charge (federal carbon charge) to zero after March 31, 2025.

In response, EPCOR filed an amended QRAM application reflecting the removal of both the federal carbon charge and the facility carbon charge. EPCOR's carbon pricing costs currently recovered through the facility carbon charge are fully impacted by the amendment in federal regulations and will fall to zero.

In its amended application, EPCOR no longer proposes a rate mitigation plan as the removal of these charges is expected to result in a bill reduction of approximately $181 per year for the typical residential customer using 2,149 m^3 annually.

While the gas commodity price increase for EPCOR customers using system gas is significant, the overall decrease in customer bills from the removal of the carbon charges more than offsets the commodity price increase.

As a result, the OEB agrees with EPCOR that a rate mitigation plan is no longer necessary. OEB staff also supported this approach and have recommended approval of EPCOR's amended application as filed.

The January 2025 QRAM Decision and Interim Order found that the proposed rates would remain interim pending the outcome of the OEB's review of EPCOR's Gas Supply Plan that includes the CNG Pilot proposal. The OEB concluded its review of EPCOR's Gas Supply Plan with the issuance of the OEB Staff Report on February 28, 2025.[16] In this report, OEB staff recommended that EPCOR's proposed pilot program to use CNG for Southern Bruce is reasonable as a temporary measure and its use for the 2024/25 planning period should be made final.[17] The report also added that EPCOR

[16] EB-2024-0139, OEB Staff Report to the Ontario Energy Board
[17] Ibid., Appendix C

should complete an analysis of options to alleviate the pressure issue for future planning periods as part of EPCOR's 2026 IRM filing. This would include cost estimates, timelines, recommendations, and any available historical or forecast information on the low-pressure system.[18] The OEB endorsed these recommendations in a letter filed February 28, 2025.

Therefore, the OEB finds that EPCOR's amended QRAM application is approved as filed and on a final basis.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The rates approved for EPCOR Natural Gas Limited Partnership's Southern Bruce service area as part of the Decision and Interim Rate Order in EB-2024-0338, dated December 19, 2024, shall be superseded on a final basis by the rates as provided in Appendix A to this Decision and Rate Order.

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

3. The reference price for use in determining the amounts to be recorded in the Purchase Gas Commodity Variance Account shall increase by \$0.063756 per m^3 from the previous OEB approved level of \$0.136192 to **\$0.199948** 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 \$0.004335 per m^3 from the previous OEB approved level of -\$0.000022 per m^3 to **\$0.004313** per m^3.

5. The resulting gas supply charge will increase from the previous OEB-approved level of \$0.136170 per m^3 to **\$0.204261** per m^3 as noted in Appendix A to this Decision and Rate Order.

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

[18] Ibid.

ISSUED at Toronto, March 27, 2025

ONTARIO ENERGY BOARD

Nancy Marconi

Digitally signed by Nancy Marconi
Date: 2025.03.27 15:13:06 -04'00'

Nancy Marconi
Registrar

APPENDIX A TO

DECISION AND RATE ORDER

OEB FILE NO. EB-2025-0097

DATED: March 27, 2025

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		
Gas Supply Charge	20.4261	¢ 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.

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: April 1, 2025
Implementation: All bills rendered on or after April 1, 2025
EB-2025-0097

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		
Gas Supply Charge	20.4261	¢ 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.

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: April 1, 2025
Implementation: All bills rendered on or after April 1, 2025
EB-2025-0097

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		
Gas Supply Charge	20.4261	¢ 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.

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: April 1, 2025
Implementation: All bills rendered on or after April 1, 2025
EB-2025-0097

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		

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

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: April 1, 2025
Implementation: All bills rendered on or after April 1, 2025
EB-2025-0097

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: April 1, 2025
Implementation: All bills rendered on or after April 1, 2025
EB-2025-0097

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