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December 15, 2025

Sent by EMAIL, RESS e-filing

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board
27-2300 Yonge Street
Toronto, ON M4P 1E4

Dear Mr. Murray

**Re: EB-2025-0317: Quarterly Rate Adjustment Mechanism (“QRAM”) Application
EPCOR Natural Gas LP (“ENGLP”) Southern Bruce for rates effective Jan 1, 2026
Responses to OEB Staff Questions**

Please find enclosed EPCOR Natural Gas Limited Partnership’s responses to OEB Staff questions received December 12, 2025.

ENGLP notes that it has included a revised application along with this submission as a result of the responses to question OEB-Staff 10. This has resulted in a change to the GPRA recovery rate, resulting in an updated calculation of the Gas Commodity Charge:

	ORIGINAL	REVISED	Variance
PGCVA Reference Price	\$0.201719	\$0.201719	\$0.000000
GPRA Recovery	<u>(\$0.008680)</u>	<u>(\$0.004793)</u>	<u>\$0.003887</u>
Gas Commodity Charge	\$0.193040	\$0.196926	\$0.003886

Please do not hesitate to contact me if you have any questions.

Yours truly,

Tim Hesselink, CPA
Senior Manager, Regulatory Affairs
EPCOR Natural Gas Limited Partnership
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249-225-5104

1. On page 2 of the application, it states: "...Interim Rate Order dated September 10, 2025..."
 - a. Please confirm if instead of September 10, this should be September 23

ENGLP Response: Confirmed and revised on the updated application.

2. On Page 11 of the application, "Gas Supply – Commodity & Fuel – Price adjustment values" is referenced.
 - a. Please explain what these values represent

ENGLP Response: These values represent the type of approved Enbridge charges that are passed on the ENGLP per the CNG invoice, attributable to gas supply costs. These charges can be found on the EB-2025-0244 Decision and Interim Rate Order, September 23, 2025.

Gas Supply - Commodity	\$0.171603 - Pg 76 of 138
Gas Cost Adjustment - RR C	(\$0.003475) - Pg 121 of 138
Gas Supply - Adjustment - RR E	(\$0.000002) - Pg 127 of 138

3. On page 12 of the application, it states: "...is based on actual and forecasted purchases starting January 2025"
 - a. Please confirm if instead, this is based on actual purchases since the inception of the account along with forecasted purchases beginning November 2025.

ENGLP Response: Confirmed and revised on the updated application.

4. On page 12 of the application, it states: "This is consistent with ENGLP Aylmer's past proposals..."

On page 13 of the application, it states: "This methodology is consistent with ENGLP Aylmer's proposal for the continued prospective clearance of the PGCVA."

- a. Please confirm that in both instances, Southern Bruce should be referred to in addition to Aylmer

ENGLP Response: Consistent with our response to a similar question last quarter¹, both are accurate. The reference is stated that the Southern Bruce filing is consistent with the methodology used in the Aylmer QRAM. This was also the same methodology used in previous Southern Bruce filings.

5. On page 19 of the application, it states: "...impact related to the change in the commodity charges on a customer..."

- a. Please confirm if in addition to commodity charges, this impact referred to is also related to changes to rate riders, delivery charges and monthly fixed charges

ENGLP Response:

As a note, ENGLP believes that the reference above is located on page 15 of the application, not page 19.

Confirmed.

To further clarify, the annual commodity bill impacts as presented on the revised Schedule 9 is \$34.29 (8.8%).

The total bill impact related to all changes effective January 1, 2026 as presented on the revised Schedule 9 is \$87.68 or 5.4%.

ENGLP has updated the wording on the revised application to clarify this.

¹ EB-2025-0264, Responses to OEB Staff Question 4, September 15, 2025.

6. On page 15 of the application, it states that the OEB has an expectation that QRAM applications would provide bill impacts based on an annual consumption of 2,149 m³ for a typical residential customer.
 - a. Please explain why EPCOR believes that using the 2,149 m³ figure is the OEB's expectation. Please provide explicitly where EPCOR believes the OEB provided this expectation, including case number and document, as applicable.

ENGLP Response: ENGLP is unable to locate a case number and document for this comment, but notes that this reference has been included in its QRAM filings (Aylmer and Southern Bruce) since at least 2020.

Given the short-turn around time for the QRAM application adjudication and timing of the decision of the Custom IR application for 2026 rates, ENGLP maintained the same bill impact calculations and bill determinants (2,149m³) as previous filings in an attempt to avoid confusion. But it appreciates that by doing so, has possibly created more confusion.

ENGLP would benefit from clarity on which billing determinants to use on a forward basis to calculate bill impacts in its QRAM application given the variance between the Custom IR filing and actual volumes.

ENGLP notes that in both scenarios (2,149m³ and 1,423m³), bill impacts remain below a mitigation threshold.

7. OEB staff noted that the 2,149 m³ figure for annual consumption for residential customers was used throughout the application, in all schedules and the prepared draft notice, opposed to the 1,423m³ figure, used in the 2026 IRM application (EB-2025-0178).
 - a. Please confirm that by using the 2,149 m³ annual consumption value along with its associated monthly consumption breakdown, as opposed to the 1,423 m³ value and its associated monthly consumption breakdown, that there's no impact to the calculation of the gas commodity charge

ENGLP Response: Confirmed.

8. On page 15 of the application, it states: "...1,423m³ results in an annual increase of \$67.68 or 5.6%."
- a. Please provide a version of Schedule 9 using the 1,423m³ value along with its associated monthly consumptions, instead of the 2,149m³ value along with its associated monthly consumptions.
 - b. If the updated Schedule 9 requested in staff question 8.a does not provide a breakdown of the \$67.68 and 5.6% values, please explain why not.

ENGLP Response:

- a) Refer to the following page. The calculations are based on the gas supply charge in the revised application and as such, differ from the values noted above. The \$67.68 and 5.6% has been replaced by \$73.21 and 6.0%.
- b) N/A as the schedule *does* provide the breakdown requested (based on the amounts from the revised application).

ENGLP - Schedule 9 Revised - Lower Consumption

**EPCOR NATURAL GAS LIMITED PARTNERSHIP
RESIDENTIAL BILL COMPARISONS
QUARTERLY BILL IMPACT**

	Quarter Starting 01-Jan-25 <u>EB-2024- 0338</u>	Quarter Starting 01-Jan-26 <u>EB-2025- 0317</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	715.3	715.3		
Monthly Charges	\$87.00	\$88.71	\$1.71	2.0%
Delivery Charges	\$212.07	\$216.38	\$4.31	2.0%
Upstream Charges	\$29.84	\$29.84	\$0.00	0.0%
Rate Riders	\$47.73	\$55.77	\$8.03	16.8%
				-
Federal Carbon Charge (if applicable)	\$109.08	\$0.00	(\$109.08)	100.0%
Facility Carbon Charge	\$0.01	\$0.00	(\$0.01)	
Total Commodity Charges	<u>\$97.40</u>	<u>\$140.86</u>	<u>\$43.46</u>	<u>44.6%</u>
Total Customer Charges	\$583.14	\$531.56	(\$51.58)	-8.8%

ANNUAL BILL IMPACT

	01-Oct-25 <u>EB-2025- 0264</u>	01-Jan-26 <u>EB-2025- 0317</u>	\$ Change	Percent Change
Average Residential Consumption	1,423.9	1,423.9		
Monthly Charges	\$348.00	\$354.84	\$6.84	2.0%
Delivery Charges	\$423.59	\$432.20	\$8.61	2.0%
Upstream Charges	\$59.41	\$59.41	\$0.00	0.0%
Rate Riders	\$127.39	\$162.43	\$35.04	27.5%
Total Commodity Charges	<u>\$257.68</u>	<u>\$280.40</u>	<u>\$22.72</u>	<u>8.8%</u>
Total Customer Charges	\$1,216.07	\$1,289.28	\$73.21	6.0%

RATES USED (1)

	01-Jan-25 <u>EB-2024- 0338</u>	01-Oct-25 <u>EB-2025- 0264</u>	01-Jan-26 <u>EB-2025- 0317</u>
Monthly Charge	29.00	29.00	29.57
Delivery Charge - first 100 m3	0.299921	0.299921	0.306018
Delivery Charge - next 400 m3	0.294012	0.294012	0.299990
Delivery Charge - after 500 m3	0.285328	0.285328	0.291129
Upstream Charges - Recovery	0.014740	0.014740	0.014740
Upstream Charges - Tport Storage	0.026982	0.026982	0.026982
Rate Rider for Delay in Revenue Recovery	0.016330	0.016330	0.016330
ECVA Rate Rider	0.002481	0.002481	0.001794
CIACVA Rate Rider	0.023088	0.023088	0.020743
MTVA Rate Rider	0.005052	0.005052	-0.004139
ORDA Rate Rider	-0.002738	-0.002738	-0.002478
S&TVA Rate Rider	0.000000	0.000000	0.011569
UFGVA Rate Rider	0.000000	0.000000	-0.001630
CVVA Rate Rider	5.370000	5.370000	8.530000

Federal Carbon Charge (if applicable)	0.152500	0.000000	0.000000
Facility Carbon Charge	0.000013	0.000000	0.000000
Gas Supply Charge	0.136170	0.180970	0.196926

9. In Schedule 3, it indicated that for November 2025, 425,348 m³ of CNG was purchased. OEB staff notes that this amount is considerably higher than last year's entire fall season which used 28,587m³. OEB staff also note that in the 2026 IRM proceeding (EB-2025-0178), EPCOR's financial estimates for using CNG were based on using 134,040m³/year.
- a. Please explain why CNG use was significantly higher in November 2025 than expected

ENGLP Response: The value included in the QRAM was based on the November 2025 invoice received in December, so it reflects actual usage.

Usage is higher than forecasted due to exceptionally wet and high moisture content in corn harvests required prolonged high-temperature drying, driving continuous burner use. Combined with cold weather, this has resulted in sustained high consumption and elevated CNG injection needs throughout November.

10. In Schedule 8, for October 2025, there appears to be 0m³ System Sales volume. In Schedule 8, OEB staff notes the throughput values for October – December 2026 appear to be much lower than the projected demand for these months indicated in Figure 2, page 24 of the Southern Bruce 2025 Gas Supply Plan (EB-2025-0140).
- a. Please explain why 0m³ System Sales Volume is indicated in October 2025.

ENGLP Response: This is an error. After reviewing the table, it appears that the link to the supporting files was linked to the wrong information. This has been corrected on the revised submission.

- b. Please explain the discrepancy for October-December 2026

ENGLP Response: This has also been updated as there was an issue with the source data capturing the incorrect amounts for the period of October-December 2026.

As a result of both corrections noted above, the inventory revaluation amount (Sch. 8, column J) has been reduced from \$104,383.29 in the original application to \$74,315.00 in the revised application leading to an adjustment of the GPRA recovery rate from (\$0.008680) to (\$0.004793).