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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-2025-0318: Quarterly Rate Adjustment Mechanism (“QRAM”) Application
ENGLP Natural Gas LP (“ENGLP”) Aylmer 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.

In response, ENGLP has also included a revised QRAM submission with this file. Details of the rationale behind these changes are included in the response to questions 1 & 2.

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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OEB Staff 1

Ref: Application, Page 17
Application, Schedule 7

Preamble:

Page 17 of the application states “The heat value used to convert GJ to m3 is 39.02 GJ/103 m3 for gas delivered from Enbridge 26 effective April 1, 2025.”

The EGI Heat Value line of schedule 7 has a value of 38.92.

Question:

- 1) Please confirm that the heat value on the EGI heat value line of schedule 7 is correct. If not confirmed please update the EGI heat value in schedule 7 of the application.

ENGLP Response: The heat value on Schedule 7 was incorrect and has been updated to the correct value of 39.02. This has also updated Schedule 4 for the forecast November and December 2025 months.

By updating the heat value for all forecast periods from November 2025-2026, a change to the result of the PGCVA reference price and Gas Supply Charge has occurred.

The table below compared the original submission with the revised calculations.

| | ORIGINAL | REVISED | Variance |
|-----------------------|---------------------|---------------------|-------------------|
| PGCVA Reference Price | \$0.185357 | \$0.185165 | -\$0.000192 |
| GPRA Recovery Rate | <u>(\$0.003992)</u> | <u>(\$0.003992)</u> | <u>\$0.000000</u> |
| Gas Commodity Charge | \$0.181365 | \$0.181173 | -\$0.000192 |

As a result, ENGLP has prepared an updated application accompanying this submission that takes into account the changes noted above, along with the edit in question 2 below.

OEB Staff 2

Ref: Application, Page 19
Application, Schedule 8

Preamble:

Page 19 of the application states that: "The impact on the GPRA of the proposed January 1, 2026 PGCVA reference price change from \$0.166755 per m3 to \$0.185357 per m3 is a charge of \$186,377.24, as shown on Schedule 8. This figure is shown in column (K) of Schedule 8 on the December, 2025 line.

Question:

- a) Please confirm that the reference should state column (J) on the December line.

ENGLP Response: Confirmed and corrected on the revised submission.

OEB Staff 3

Ref: Application, Schedule 9
 EB-2025-0263, Application, Schedule 9

Preamble:

Figure 1 The Rates Used column for October 1, 2025 shows a value of 0.000000 for Rate Rider - \$/mth and a value of 0.019456 for Rate Rider - \$/m3.

Figure 1: Application for January 1, 2026 Rates

| <u>RATES USED (2)</u> | | | |
|------------------------|---|---|---|
| | <u>01-Jan-25</u> <u>EB-2024-0337</u> | <u>01-Oct-25</u> <u>EB-2025-0263</u> | <u>01-Jan-26</u> <u>EB-2025-0318</u> |
| Monthly Charge | 21.50 | 25.00 | 29.32 |
| Delivery Charge | 0.145341 | 0.109330 | 0.087763 |
| Transportation Charge | N/A | 0.029161 | 0.029161 |
| Facility Carbon Charge | 0.000035 | 0.000000 | 0.000000 |
| Total Commodity Charge | 0.151305 | 0.168136 | 0.181365 |
| Federal Carbon Charge | 0.152500 | 0.000000 | 0.000000 |
| Rate Riders - \$/mth | 0.000000 | 0.000000 | 0.060000 |
| Rate Riders - \$/m3 | 0.000000 | 0.019456 | 0.005741 |

Figure 2: Application for October 1, 2026 Rates

| <u>RATES USED (2)</u> | | | |
|------------------------|---|---|---|
| | <u>01-Oct-24</u> <u>EB-2024-0266</u> | <u>01-Jul-25</u> <u>EB-2025-0175</u> | <u>01-Oct-25</u> <u>EB-2025-0263</u> |
| Monthly Charge | 21.50 | 25.00 | 25.00 |
| Delivery Charge | 0.145341 | 0.109330 | 0.109330 |
| Transportation Charge | N/A | 0.029161 | 0.029161 |
| Facility Carbon Charge | 0.000035 | 0.000000 | 0.000000 |
| Total Commodity Charge | 0.146771 | 0.180770 | 0.168136 |
| Federal Carbon Charge | 0.152500 | 0.000000 | 0.000000 |
| Rate Riders - \$/mth | 0.020000 | 0.700000 | 0.700000 |
| Rate Riders - \$/m3 | 0.007601 | 0.022662 | 0.022662 |

Question:

- 1) Please explain why the values for the Rate Rider - \$/mth and the Rate Rider - \$/m3 in EPCOR’s application for January 1, 2026 do match the values in EPCOR’s October 1, 2025 application. If required please update schedule 9 and the bill impact in Appendix C of the Application.

ENGLP Response: Information was provided on page 21 of the application, but ENGLP will endeavour to provide further clarity below.

ENGLP's 2025 Cost of Service Filing (EB-2024-0130) was approved for rates effective March 1, 2025¹. As such, the final rate order in this hearing included fixed and variable rate riders for deferred implementation along with adjustments to the PGVTA and UFGVA rate riders, which captured an expected load forecast from March 1- December 31, 2025.

When calculating the annual bill impacts, it is not necessary to include the rate riders for deferred implementation as:

- The monthly fixed charge is already calculated assuming a 12 month period
- The variable delivery charge rate assumes a full year's of usage
- The PGVTA and UFGVA rate riders assume a full years usage.

To accurately calculate the annual impacts, the deferred implementation rate riders were excluded from the calculation and the PGVTA and UFGVA rate riders reverted back to the original calculations as per the settlement proposal (as noted on page 19 of the application).

To illustrate, when calculating the annual 'Monthly Charge' on Schedule 9, the annual amount of 'Monthly Charge' should be \$25 X 12 months (\$300). By including the Rate Rider for Deferred Implementation, that total would be increased by \$0.70 X 10 months (\$7) for a total of \$307.

Without taking into account the adjustments for the deferred implementation, the bill impacts to customers would have been understated. The table on the following page shows the calculations using the rates as per the October QRAM. As can be noted, this is showing a bill decrease for customers, even with the increase in commodity costs, which ENGLP believes does not accurately represent the true annual bill impact.

In the previous QRAM filing, this was not captured as the rates used to calculate the bill impacts on Schedule 9 would have been the same for both scenarios of the 'annual bill impact' so there would be no variance of distribution rates and rate riders.

¹ EB-2024-0130, Decision and Order, January 14, 2025 Page 6.

Schedule 9 - Calculation Using the Impacts of the Deferred Implementation X 12 months

ANNUAL BILL IMPACT

| | 01-Oct-25 <u>EB-2025-0263</u> | 01-Jan-26 <u>EB-2025-0318</u> | \$ <u>Change</u> | Percent <u>Change</u> |
|---------------------------------|----------------------------------|----------------------------------|---------------------|--------------------------|
| Average Residential Consumption | 2,065.0 | 2,065.0 | | |
| Monthly Charges | \$300.00 | \$351.84 | \$51.84 | 17.3% |
| Delivery Charges (1) | \$225.77 | \$181.23 | (\$44.54) | -19.7% |
| Transportation Charge | \$60.22 | \$60.22 | \$0.00 | 0.0% |
| Federal Carbon Charge | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| Rate Riders | \$55.20 | \$12.58 | (\$42.62) | -77.2% |
| Total Commodity Charges | <u>\$347.20</u> | <u>\$374.12</u> | <u>\$26.92</u> | <u>7.8%</u> |
| Total Customer Charges | \$988.38 | \$979.99 | (\$8.40) | -0.8% |

RATES USED (2)

| | 01-Jan-25 <u>EB-2024-0337</u> | 01-Oct-25 <u>EB-2025-0263</u> | 01-Jan-26 <u>EB-2025-0318</u> |
|------------------------|----------------------------------|----------------------------------|----------------------------------|
| Monthly Charge | 21.50 | 25.00 | 29.32 |
| Delivery Charge | 0.145341 | 0.109330 | 0.087763 |
| Transportation Charge | N/A | 0.029161 | 0.029161 |
| Facility Carbon Charge | 0.000035 | 0.000000 | 0.000000 |
| Total Commodity Charge | 0.151305 | 0.168136 | 0.181173 |
| Federal Carbon Charge | 0.152500 | 0.000000 | 0.000000 |
| Rate Riders - \$/mth | 0.000000 | 0.700000 | 0.060000 |
| Rate Riders - \$/m3 | 0.000000 | 0.022662 | 0.005741 |