



55 University Ave., Suite 710
Toronto, Ontario, M5J 2H7
epcor.com

March 8, 2019

VIA RESS & COURIER

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB- 2019-0101 EPCOR Natural Gas Limited Partnership (“ENGLP”)

Please find enclosed ENGLP’s 2019 Federal Carbon Pricing Program Application (the “Application”).

ENGLP is filing this Application pursuant to the *Greenhouse Gas Pollution Pricing Act*, S.C. 2018, c. 12, s. 186 (the “GGPPA”). The GGPPA applies a charge, by volume, on certain types of fuel and combustible waste, including marketable natural gas, effective April 1, 2019 (the “Fuel Charge”). As a registered distributor of marketable natural gas, ENGLP is required to report volumes of fuel delivered to customers or used by the distributor and remit the Fuel Charge for such volumes on a monthly basis to the Canada Revenue Agency, commencing on April 1, 2019.

In this Application, ENGLP is seeking OEB approval of just and reasonable rates effective April 1, 2019 for its Aylmer operations to recover costs associated with the GGPPA from customers on a pass through basis. ENGLP is also seeking approval to use its existing Greenhouse Gas Emissions related deferral/variance accounts to record amounts related to the GGPPA.

Should you have any questions, please contact me directly.

Sincerely,

[Original signed by]

Susannah Robinson
Vice President, Ontario
EPCOR Ontario Utilities Inc.
srobinson@epcor.com
(647) 730-0010

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, as amended (the “**Act**”);

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership for an Order under section 36(1) of the Act for an order or orders for rates to recover costs resulting from the *Greenhouse Gas Pollution Pricing Act*, S.C. 2018, c. 12, s. 186.

**APPLICATION OF
EPCOR NATURAL GAS LIMITED PARTNERSHIP**

1. EPCOR Natural Gas Limited Partnership (“**ENGLP**”) is a privately-owned utility that sells and distributes natural gas within the province of Ontario. ENGLP’s Aylmer utility supplies natural gas to Aylmer and surrounding areas to approximately 8,800 customers with its service territory stretching from south of Highway 401 to the shores of Lake Erie, from Port Bruce to Clear Creek. It is this utility, or ENGLP’s “Aylmer operations” which are the subject of this Application.
2. ENGLP is also a registered distributor pursuant to section 55(1) of the *Greenhouse Gas Pollution Pricing Act* (the “**GGPPA**”). The account number assigned to ENGLP by the Canada Revenue Agency (“**CRA**”) is 74396 8299 CT0001.
3. Among other things, the GGPPA applies a charge, by volume, on certain types of fuel and combustible waste, including marketable natural gas, effective April 1, 2019 (the “**Fuel Charge**”). As a registered distributor, ENGLP is required to report volumes of fuel delivered to customers or used by the distributor and remit the Fuel Charge for such volumes on a monthly basis to the CRA, commencing on April 1, 2019.
4. The GGPPA is composed of two key parts: (1) the Fuel Charge applied on 21 types of fuel and combustible waste starting in April 2019, which is administered by the CRA; and (2) an output-based pricing system (“**OBPS**”) for industrial facilities starting in January 2019, which is administered by Environment and Climate Change Canada (“**ECCC**”).
5. ENGLP has confirmed with ECCC that the OBPS does not apply to ENGLP’s facilities or assets. However, the Fuel Charge will apply to natural gas volumes sold or used by ENGLP.
6. Pursuant to section 36(1) of the GGPPA, ENGLP has obtained a Fuel Charge Exemption Certificate from the CRA and has provided a copy to its supplier of natural gas, Enbridge Gas Distribution Inc (“**Enbridge**”) in order to exempt ENGLP, pursuant to section 17(2)

of the GGPPA, from the Fuel Charge applying to volumes of natural gas sold by Enbridge to ENGLP.

7. As a result of the GGPPA, ENGLP will incur the following costs:
 - (a) Incremental administration costs;
 - (b) Customer-related Fuel Charge costs which ENGLP will be required to pay under the GGPPA for volumes delivered by ENGLP to its residential, commercial and industrial customers who have not provided ENGLP with a Fuel Charge Exemption Certificate, along with any resulting increase to financing costs; and
 - (c) Facility-related costs arising from ENGLP's facilities and operation of its gas distribution system, along with any resulting increase to financing costs.
8. Through its decision and order dated December 6, 2018 the Ontario Energy Board (the "**OEB**" or the "**Board**") approved ENGLP's application (EB-2018-0235) to establish rates for the period from October 1, 2016 to December 31, 2019, implement various rate riders and to change the start of the rate year to January 1 effective January 1, 2019. However, costs associated with the GGPPA were not included in this application.
9. Accordingly, ENGLP applies to the OEB pursuant to section 36(1) of the Act:
 - (a) For an order or orders allowing ENGLP to charge customers a fuel charge on a volumetric basis, in the amount of the Fuel Charge required to be paid pursuant to the GGPPA, effective April 1, 2019; and
 - (b) For an order approving or fixing just and reasonable rates, effective April 1, 2019, to allow ENGLP to recover the other costs associated with compliance with the GGPPA.
10. ENGLP further applies for approval by the OEB for use of the following existing deferral and variance accounts to record amounts related to the GGPPA:
 - (a) Greenhouse Gas Emissions Impact Deferral Account ("**GGEIDA**");
 - (b) Greenhouse Gas Emissions Compliance Obligation – Customer-Related Deferral Account ("**GGECRDA**");
 - (c) Greenhouse Gas Emissions Compliance Obligation – Facility-Related Deferral Account ("**GGEFRDA**").
11. ENGLP further applies for all necessary orders and directions concerning pre-hearing and hearing procedures for the determination of this application. This application is supported by written evidence filed with this application, which may be amended from time to time.
12. The persons affected by this application include all of ENGLP's residential, commercial and industrial customers.

13. ENGLP is mindful of the OEB's commentary in its Interim Decision and Accounting Orders in EB-2018-0205 dated February 28, 2019, wherein the OEB did not approve Enbridge's request for interim rates effective April 1, 2019 associated with compliance with the GGPPA until it has provided stakeholders with an opportunity to comment on matters such as bill presentation. ENGLP looks forward to receiving further guidance from the OEB, both in this proceeding and in EB-2018-0205.

14. The address for service for ENGLP is:

Susannah Robinson
Vice President, Ontario
EPCOR Ontario Utilities Inc.
55 University Avenue, Suite 710
Toronto, ON M5J 2H7
Tel: 647-730-0010
E-mail: srobinson@epcor.com

and

Dana Bissoondatt, Associate General Counsel
EPCOR Utilities Inc.
2000 – 10423-101 St. NW
Edmonton, AB T5H 0E8
Tel: 780-412-3239
Fax: 780-441-7118
E-mail: dbissoondatt@epcor.com

and

Bruce Brandell, Director, Commercial Services
EPCOR Utilities Inc.
2000 – 10423-101 St. NW
Edmonton, AB T5H 0E8
Tel: 780-412-3720
Fax: 780-412-3013
E-mail: bbrandell@epcor.com

and

Patrick Welsh
Osler, Hoskin & Harcourt LLP
1 First Canadian Place, Suite 6300
Toronto, ON M5X 1B8
Tel: 416-862-5951
Fax: 416-862-6666
E-mail: pwelsh@osler.com

15. It is ENGLP's preference that this proceeding take place by way of a written hearing.

DATED at Toronto, Ontario, this 8th day of March, 2019.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

[Original signed by]

Susannah Robinson
Vice President, Ontario
EPCOR Ontario Utilities Inc.



OVERVIEW

1. The purpose of this evidence is to summarize EPCOR Natural Gas Limited Partnership’s (“ENGLP”) application for just and reasonable rates for its Aylmer operations to recover the costs associated with the federal Greenhouse Gas Pollution Pricing Act, S.C. 2019, c. 12, s. 186 (the “GGPPA”) as a pass-through to customers effective April 1, 2019.

2. The evidence is organized as follows:

Exhibit	Description
Exhibit A	Overview
Exhibit B	Customer Related Volumes and Costs
Exhibit C	Administrative Costs
Exhibit D	Deferral and Variance Accounts
Exhibit E	Cost Recovery

1.0 Background: the *Greenhouse Gas Pollution Pricing Act*

3. The GGPPA received Royal Assent on June 21, 2018. The purpose of the GGPPA is to impose a carbon pricing mechanism in provinces or territories where no such carbon pricing mechanism (e.g., a cap-and-trade system or carbon tax) has been put into place or where such mechanism does not meet national criteria. On October 23, 2018, the Government of Canada deemed Ontario to be a “listed province” that is subject to the GGPPA’s carbon pricing mechanism.

4. The federal carbon pricing scheme implemented by the GGPPA features two main elements:

- (a) A charge applied to fossil fuels, generally paid by registered distributors (fuel producers and distributors), as set out in Part 1 of the GGPPA, which will start applying in April 2019 (the “Fuel Charge”); and
- (b) For larger industrial facilities, an output-based pricing system for emissions-intensive trade-exposed (“EITE”) industries as set out in Part 2 of the GGPPA, which started to apply in January 2019 (the “OBPS”). The OBPS applies to facilities emitting 50,000 tonnes of carbon dioxide equivalent (“CO₂e”) per year or more, with the ability for smaller EITE facilities that emit 10,000 CO₂e per year or more to voluntarily opt-in to the system over time.



5. The amount of the Fuel Charge for marketable natural gas is established under Schedule 2 of the GGPPA. The Fuel Charge increases annually until 2022, as set out below:

Year	Charge Cost \$ per m3
2019	0.0391
2020	0.0587
2021	0.0783
After 2021	0.0979

6. Subsection 55(1) of the GGPPA requires that all persons register with the Canada Revenue Agency (the “CRA”) for the purposes of Part 1 of the GGPPA (i.e., the Fuel Charge) if, *inter alia*:

- (a) The person delivers marketable natural gas or non-marketable natural gas to another person in a listed province; or
- (b) The person measures another person’s consumption or usage, in a listed province, of marketable natural gas and the measurement is done on a regular basis and for the purpose of billing the other person or providing the other person’s billing information to a third party, and the marketable natural gas is delivered by way of a distribution system.

7. “Marketable natural gas” is defined in section 3 of the GGPPA as “natural gas that consists of at least 90% methane and that meets the specifications for pipeline transport and sale for general distribution to the public.”

8. Consequently, ENGLP was required to register with the CRA as a distributor of marketable natural gas, and did so on February 27, 2019. ENGLP’s CRA account number under the program is 74396 8299 CT0001.

9. Subsection 171(1) of the GGPPA requires that persons responsible for a “covered facility” register with Environment and Climate Change Canada (“ECCC”) for the purposes of Part 2 of the GGPPA (i.e., the OBPS).

10. Unlike Enbridge Gas Distribution Inc. (“Enbridge”), ENGLP is not required to register as an “emitter” pursuant to section 57(1) of the GGPPA because ENGLP is not a person responsible for a “covered facility” (in Enbridge’s case, its “covered facilities” include its transmission system



and storage compressor stations). ENGLP has also confirmed with ECCC that it is not required to register as an “emitter” because its facility emissions are below 10,000 tonnes of CO₂e.

1.1 ENGLP’s obligations under the GGPPA

11. As a registered distributor, ENGLP is required under section 17(1) of the GGPPA to pay the Fuel Charge for volumes of natural gas delivered to its customers. Additionally, pursuant to section 18(1) of the GGPPA, ENGLP is required to pay the Fuel Charge for volumes of natural gas that it uses. These volumes delivered or used must be reported - and the corresponding Fuel Charge must be remitted – to the CRA on a monthly basis.

12. Ordinarily, Enbridge would be required to report and remit the Fuel Charge for volumes of natural gas sold to ENGLP. However, subsection 17(2) of the GGPPA deems that the Fuel Charge is not payable if the fuel is delivered to a person who holds an “exemption certificate” issued by the CRA pursuant to section 36(1) of the GGPPA (an “Exemption Certificate”). ENGLP obtained an Exemption Certificate as a registered distributor and provided a copy to Enbridge on March 1, 2019, all in accordance with the GGPPA.

13. Accordingly, ENGLP, in its capacity as a registered distributor, will be required to remit the 2019 Fuel Charge rate of \$0.0391/m³ of natural gas delivered to customers unless a customer provides ENGLP with an Exemption Certificate.

14. ENGLP will also be required to remit the 2019 Fuel Charge for natural gas used by ENGLP for its office building and natural gas vehicle (“NGV”) fleet.

1.2 Anticipated Costs of Compliance

1.2.1 Customer Charges

15. As outlined in Exhibit B, ENGLP forecasts the 2019 customer related costs (for the period from April 1, 2019 to December 31, 2019) associated with the GGPPA for its Aylmer, Ontario operations to be \$636,049. ENGLP will present these charges as a separate line item on customers’ bills. As set out in more detail in Exhibit E, ENGLP proposes a charge of 3.91 cents/ m³ over volumes from April 1 to December 31, 2019. Subject to guidance from the OEB as discussed further below, ENGLP would prefer an interim order allowing EPCOR to commence charging as of April 1. However, given the OEB’s recent decision in the Enbridge Interim Decision (as defined and discussed further below), ENGLP can record customer charges and company use volumes and costs in the deferral and variance accounts described below and seek to have such costs disposed of in a future proceeding.



1.2.2 Company Use Volumes and Costs

16. As set out in Exhibit B, ENGLP forecasts the 2019 costs associated with company-use volumes for ENGLP's buildings and NGV fleet to be approximately \$1,057. As set out in more detail in Exhibit E, ENGLP proposes a charge of 0.0017 cents/m³ from all customers in Rate 1 through 5 and a fixed monthly charge for Rate 6 of \$83.70 per month from April 1 to December 31, 2019. The costs associated with these company-use volumes will be included in delivery charges on customers' bills.

17. It is not clear to ENGLP whether unaccounted-for gas ("UFG") is considered by the CRA to be "use" by a distributor. Consequently, ENGLP has included UFG in its calculations, albeit at 0.0%, in the event that the CRA provides further guidance on UFG or otherwise requires ENGLP to report UFG in fuel volumes "used" by ENGLP as Company Use Volumes and remit the Fuel Charge accordingly.

1.2.3 Administrative Costs

18. As set out in Exhibit C, ENGLP forecasts the 2019 administrative costs to be \$109,200. As set out in Exhibit E, 2019 administrative costs will be recorded in the Greenhouse Gas Emissions Impact Deferral Account ("GGEIDA") and disposed of as determined in a future proceeding.

1.2.4 Upstream Costs

19. As outlined in its Federal Carbon Pricing Program application EB-2018-0205 / EB -2018-0187, Enbridge has applied for recovery of its Facility Carbon Charge costs from all customers regardless of whether the customer holds an Exemption Certificate. Enbridge further proposes to add the Facility Carbon Charge to its current approved delivery or transportation charges on customer's bills. Should Enbridge's proposals be approved by the OEB, ENGLP will incur additional upstream costs associated with Enbridge's Facility Carbon Charge costs in relation to ENGLP's M9 and Bundled T contracts with Enbridge.

20. Any increased transportation or commodity costs from Enbridge in relation to the GGPPA have not been included in the costs identified in this Application.

21. Enbridge's Facility Carbon Charge costs are not currently included in ENGLP's transportation charges included in its distribution rates, as these costs were not included in the determination of ENGLP's Purchased Gas Transportation Variance Account ("PGTVA")



reference price. Therefore, such costs will be captured in the PGTVA for customers in Rate 1 through 5. All costs, charges and fees incurred by ENGLP related to gas supplied by Enbridge to ENGLP's system for the customer in Rate 6 are a direct pass through to that customer and, therefore, any such increased costs will be invoiced to IGPC on a monthly basis, equal to the amount charged by Enbridge.

22. Any impacts to commodity costs as a result of the GGPPA will be recorded in the Purchased Gas Commodity Variance Account ("PGCVA") through the application of the rate differential between the current PGCVA reference price and the actual unit cost of the purchases to the actual volumes purchased. The PGCVA reference price will be adjusted through ENGLP's Quarterly Rate Adjustment Mechanism applications.

1.3 Customer Communications

23. ENGLP will utilize existing communication methods such as bill inserts, bill messaging and webpage content to provide information related to the GGPPA to its customers, including communication on the program and the associated changes to ENGLP bill.

24. ENGLP is mindful of the OEB's commentary in its Interim Decision and Accounting Orders in EB-2018-0205 dated February 28, 2019 (the "Enbridge Interim Decision"), wherein the OEB did not approve Enbridge's request for interim rates effective April 1, 2019 associated with compliance with the GGPPA until it has provided stakeholders with an opportunity to comment on matters such as bill presentation. ENGLP looks forward to receiving further guidance from the OEB, both in this proceeding and in EB-2018-0205. As noted above, EPCOR proposes to present the Fuel Charge as a separate line item on customers' bills.

APPROVALS REQUESTED

25. ENGLP proposes to treat all prudently-incurred costs of compliance with the GGPPA as a pass-through to customers. The Fuel Charge is the primary driver for the costs for which ENGLP seeks to recover and is established by the GGPPA.

26. Importantly, the Government of Canada's carbon pricing plan, including the GGPPA, contemplates the return of most of the proceeds collected in Ontario from the Fuel Charge to Ontario's individuals and families through "Climate Action Incentive Payments." In fact, the Government of Canada believes that "most households in Ontario will receive more in Climate



Action Incentive Payments than they incur in total costs resulting from pollution pricing.”¹ As such, the Federal carbon pricing plan anticipates that the Fuel Charge will be passed on to consumers and consequently provides compensation through the Climate Action Incentive Payments.

27. ENGLP agrees with the concerns expressed by Enbridge in its application and evidence in EB-2018-0205 that without an interim order effective April 1, 2019, “the resulting buildup of unbilled and uncollected amounts from customers may have an unnecessarily large impact on rates when such amounts are added to bills and recovered in the future.” However, EPCOR also recognizes the OEB’s comments in the Enbridge Interim Decision which acknowledged Enbridge’s concern but also noted that “most of the payments to the Government of Canada are in respect of the period starting April 1, 2019. This is a time period in which gas usage is much lower than what it would have been in January. Any accumulated unbilled amounts would therefore be expected to be commensurately lower.” As such, EPCOR will await further guidance from the Board regarding the possibility of an interim order.

28. ENGLP seeks an order (or orders) approving rates to be applied to customer bills effective April 1, 2019. Subject to further guidance from the Board, ENGLP proposes to record costs and variances resulting from compliance with the GGPPA using the three existing deferral and variance accounts established as part of the Cap and Trade proceeding, namely:

- (a) Greenhouse Gas Emissions Impact Deferral Account (“**GGEIDA**”);
- (b) Greenhouse Gas Emissions Compliance Obligation – Customer-Related Deferral Account (“**GGECRDA**”);
- (c) Greenhouse Gas Emissions Compliance Obligation – Facility-Related Deferral Account (“**GGEFRDA**”).

¹ The Government of Canada estimates the impacts as follows: “Under the federal system, the estimated average cost impact for a household in Ontario is \$244, in 2019, which is less than the average for Climate Action Incentive payments (\$300).” See “Ontario and pollution pricing”, Government of Canada: <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/ontario.html>



ADMINISTRATION

Relevant information is presented in the table below:

Table of Contents	Please See Exhibit A, Tab 1, Schedule 2
Application Primary Contact	Susannah Robinson Vice President, Ontario EPCOR Ontario Utilities Inc. 55 University Avenue, Suite 710 Toronto, ON M5J 2H7 Tel: 647-730-0010 E-mail: srobinson@epcor.com
Legal Representation	Patrick Welsh Osler, Hoskin & Harcourt LLP 1 First Canadian Place, Suite 6300 Toronto, ON M5X 1B8 Tel: 416-862-6626/416-862-5951 Fax: 416-862-6666 E-mail: pwelsh@osler.com
Applicant's Website	https://www.epcor.com/about/news-announcements/notices/Pages/default.aspx
Bill Impacts	The bill impact for a typical residential customer with annual consumption of 1,780 m ³ is an increase of \$69.63 per year.
Approvals Requested	<ul style="list-style-type: none">• an order or orders allowing ENGLP to charge customers a fuel charge on a volumetric basis, in the amount of the Fuel Charge required to be paid pursuant to the GGPPA, effective April 1, 2019• an order approving or fixing just and reasonable rates, effective April 1, 2019, to allow ENGLP to recover the other costs associated with compliance with the GGPPA



TABLE OF CONTENTS

EXHIBIT	TAB	SCHEDULE	SECTION	CONTENTS
A	1	1		Overview
			1.0	Background: the Greenhouse Gas Pollution Pricing Act
			1.1	ENGLP's obligations under the GGPPA
			1.2	Anticipated Costs of Compliance
			1.3	Customer Communications
				Approvals Requested
				Administration
B	1	1		2019 Forecasted Volumes and Volume Related Costs
			1.0	Forecasted Customer Related Volumes and Associated Costs
			1.1	Forecasted Facility Related Volumes and Associated Costs
B	2	1		Customer Related Volume Forecast
B	2	2		Facility Related Volume Forecast
B	2	3		Customer and Facility Related Costs
C	1	1		2019 Administration Costs
			1.0	Billing System Related Costs
			1.1	Staffing Resources
			1.2	Consulting and External Legal
			1.3	Bad Debt Expense
			1.4	Customer Communication
			1.5	Other Expenses
D	1	1		Greenhouse Gas Deferral and Variance Accounts
D	2	1		Existing Accounting Orders
E	1	1		2019 Federal Carbon Pricing Program Cost Recovery
			1.0	Federal Carbon Charge
			1.1	Facility Carbon Charge
			1.2	Administration Costs
			1.3	Rate Schedule Changes
			1.4	Customer Bill Impacts
E	2	1		Federal Carbon Charge Unit Rate Details
E	2	2		Facility Carbon Charge Calculations
E	2	3		Summary of Federal Carbon Charge and Facility Carbon Charge Unit Rates by Rate Class
E	2	4		Summary of Customer Bill Impacts
E	2	5		Detailed Bill Impacts by Rate Class
E	3	1		Draft Rate Schedules



ENGLP 2019 FORECASTED VOLUMES AND VOLUME RELATED COSTS

1. This exhibit provides ENGLP's forecast of 2019 customer related and facility volumes and associated costs related to compliance with the GGPPA for its Aylmer operations. ENGLP is forecasting a total April 1, 2019 to December 31, 2019 volume of 16,294,260 m³ which results in a volume associated forecast total cost for 2019 of \$637,106.

1.0 Forecasted Customer Related Volumes and Associated Costs

2. For its Aylmer operations, ENGLP's 2019 forecasted customer related volumes subject to the GGPPA is 16,267,237 m³. The forecast volumes are based on ENGLP's 2020 Cost of Service Application (EB-2019-0336) weather normalized load forecast prepared by Elenchus Research Associates Inc. The customer related volume is the sum of the forecast monthly volumes for the period from April 1, 2019 to December 31, 2019.

3. Applying the 2019 Fuel Charge outlined in Exhibit A, Tab 1, Schedule 1, of \$0.0391/m³, this results in an associated forecast 2019 customer related cost of \$636,049. These forecasted costs are subject to change based on actual distribution volumes as customers will be charged the Fuel Charge of \$0.0391/m³ on a monthly basis based on actual billed volumes as noted in Exhibit E, Tab 1, Schedule 1.

4. ENGLP has received an Exemption Certificate for a Rate 6 customer (IGPC) and the volumes for this customer have been excluded from the customer related volume forecast. ENGLP has not included any further OBPS Participant or other exemptions in the volume forecast. Customers exempt under subsection 17(2) of the GGPPA will not be known until they provide ENGLP with an Exemption Certificate issued by the CRA upon their registration.

5. ENGLP's current customer related volume forecast does not include any reduction (80%) for volumes delivered to commercial greenhouse operators based on the proposed relief under the GGPPA for these customers¹. This relief has not yet been confirmed and ENGLP has not received Exemption Certificates from any of these customers. Upon confirmation of this proposal and

¹ The Department of Finance Canada has proposed that greenhouse operators receive partial relief of 80% of the Federal Carbon Charge for natural gas used in the operation of a commercial greenhouse.



receipt of associated Exemption Certificates, ENGLP will modify the customer related volume forecast accordingly.

6. Detailed 2019 forecast distribution volumes subject to the Fuel Charge for all rate classes are provided in Exhibit B, Tab 2, Schedule 1, and the cost calculations are provided in Exhibit B, Tab 2, Schedule 3.

1.1 Forecasted Facility Related Volumes and Associated Costs

7. ENGLP's forecasted 2019 facility related volumes for its Aylmer operations subject to the GGPPA are 27,023 m³. Applying the 2019 Fuel Charge outlined in Exhibit A, Tab 1, Schedule 1, of \$0.0391/m³, this results in an associated forecast 2019 facility related cost of \$1,057.

8. ENGLP's facilities related volumes are composed of company-use volumes for i) unaccounted for gas (UFG), ii) distribution buildings, and iii) natural gas vehicles (NGV). As noted in Exhibit A, Tab 1, Schedule 1, EPCOR has included UFG in its calculations as it is not clear to ENGLP whether UFG is considered by the CRA to be "use" by a distributor. ENGLP has included UFG in its forecasted 2019 facility related volumes at 0.0%, consistent with the historical deemed UFG for the system for the purposes of setting rates. Consequently, \$0 is included for UFG in the facility related cost estimate for 2019. However, in the event that the CRA provides further guidance on UFG or otherwise requires ENGLP to report UFG in fuel volumes "used" and remit the Fuel Charge accordingly, these costs will be included in ENGLP's facility related costs.

9. Detailed 2019 forecasted facility related volumes subject to the Fuel Charge are provided in Exhibit B, Tab 2, Schedule 2, and the cost calculations are provided in Exhibit B, Tab 2, Schedule 3.



Customer-Related Volume Forecast - April 1, to Dec 31, 2019

Line No.	Rate Class	Forecast Volume¹	OBPS Participant & Other Exempt Volumes	Net Volumes
1	Rate 1	12,219,782	-	12,219,782
2	Rate 2	1,288,060	-	1,288,060
3	Rate 3	1,023,492	-	1,023,492
4	Rate 4	1,075,211	-	1,075,211
5	Rate 5	660,692	-	660,692
		<u>16,267,237</u>	<u>-</u>	<u>16,267,237</u>



Facility-Related Volume Forecast - April 1, to Dec 31, 2019

Line No.	Particulars		Forecast Volume
1	Unaccounted for Gas (UFG)	0.0000%	-
2	Company Use Buildings		4,785
3	Company Use NGV Fleet		22,238
	Total Facility-Related		<hr/> 27,023



Customer and Facility Related Costs

Line No.	Particulars	2019 Forecast
Customer-Related Costs		
1	Customer-Related Forecast Volume April 1, 2019 to Dec 31, 2019	16,267,237
2	Federal Carbon Charge (\$/m ³)	0.0391
3	Total Customer-Related Costs (\$)	<u>\$ 636,049</u>
Facility-Related Costs		
4	Facility-Related Forecast Volume April 1, 2019 to Dec 31, 2019	27,023
5	Federal Carbon Charge (\$/m ³)	0.0391
6	Total Facility-Related Costs (\$)	<u>\$ 1,057</u>
7	Total Cost Forecast	<u>\$ 637,106</u>



2019 ADMINISTRATION COSTS

1. This Exhibit outlines ENGLP's forecasted administration costs for 2019 associated with the GGPPA for its Aylmer operations. As noted in Table C - 1, ENGLP's forecast for administration costs related to the GGPPA for 2019 is \$109,200. More information on each of the expense items is provided below.

2. ENGLP has provided a forecast of the 2019 administration costs and listed the expected components comprising the administration costs in this Application for informational purposes only. ENGLP proposes to record actual costs incurred in the existing GGEIDA as described at Exhibit D and will seek recovery of its actual administration costs related to the GGPPA in a future proceeding.

Table C- 1
Forecasted 2019 GGPPA Related Administration Costs
(\$)

Expense Category	2019 Forecasted
1 Billing System Costs	2,500
2 Staffing Resources	50,900
3 Consulting and External Legal	46,000
4 Bad Debt Expense	2,300
5 Customer Communication	2,500
6 Other	5,000
7 Total	109,200

1.0 Billing System Related Costs

3. ENGLP forecasts to incur \$2,500 in costs related to implementation of the charges in the billing system. Actual billing system costs incurred including costs to develop, test and implement any required modifications to the system will be recorded in the GGEIDA as incurred.

1.1 Staffing Resources

4. ENGLP had retained Blackstone Energy Services to provide a number of services related to ENGLP's Aylmer operations' compliance under the former Ontario Cap and Trade Program including reporting, preparation of the annual compliance plan and auction participation. As the



compliance requirements of the GGPPA are currently more simplified than under the Cap and Trade program, ENGLP anticipates it will be able to complete the management, coordination and reporting for the GGPPA using resources internal to EPCOR Utilities Inc..

5. In order to resource these requirements, ENGLP anticipates requiring one-half of a position at an estimated cost of \$68,000 per year. The costs for this position for April through December have been included in the forecasted 2019 costs in Table C-1 above. This position will complete emissions reporting and manage customer exemptions and other aspects of the program. The costs related to this position are not in the costs on which ENGLP's rates are based. As the remainder of the capacity of this resource is not currently needed to support ENGLP, this position will be a shared resource residing in ENGLP's affiliate EPCOR Ontario Utilities Inc. These services will be subject to a Service Level Agreement between the two parties and the costs will be determined on a cost recovery basis in accordance with the Affiliate Relationship Code for Gas Utilities ("ARC") and ENGLP's ARC Compliance Plan.

1.2 Consulting and External Legal

6. ENGLP estimates it will incur \$40,000 for external legal support related to the GGPPA in 2019. External legal support will be required in support ENGLP's regulatory filings on this matter, as well as for the review and interpretation of regulations associated with the GGPPA or other provincial and federal GHG or carbon pricing programs.

7. As noted above, ENGLP expects to be able to complete the management, coordination and reporting for the GGPPA using internal resources rather than sourcing the services of Blackstone Energy Services Inc. Until processes are developed and this position is filled to enable the tasks to be brought internally, ENGLP expects to continue to incur some costs from Blackstone Energy Services in relation to the GGPPA. The cost of these services for 2019 is estimated at \$6,000.

8. With respect to external costs related to reporting and verification, ENGLP does not currently have any verification obligations under the GGPPA. Ontario Regulation 390/18 currently requires ENGLP to report customer related emissions annually and further requires the emissions be verified by a third party auditor. The cost of such verification for ENGLP's Aylmer operations is estimated at \$7,000.



9. The Ontario Ministry of Environment issued a notice on February 6, 2019 proposing to streamline the reporting requirements under Ontario's greenhouse gas emissions reporting program, including the removal of mandatory reporting and verification for natural gas distributors for the emissions from fuel they sell. Based on this, ENGLP does not expect to incur any consulting or audit related fees for the GGPPA or other provincial and federal GHG or carbon pricing programs and has not included the amount noted above in its forecasted 2019 administration costs outlined in Table C-1.

10. Actual external legal, consulting or third party verification costs incurred in relation to the GGPPA or other provincial or federal GHG or carbon pricing programs will be recorded in the GGEIDA as incurred.

1.3 Bad Debt Expense

11. ENGLP estimates that it will incur approximately \$2,300 in incremental bad debt expenses in 2019 based on the expected percentage increase in amounts to be billed for recovery from customers as a result of the GGPPA. The actual customer account balances that are written off related to the GGPPA associated charges will be included in the GGEIDA.

1.4 Customer Communication

12. ENGLP is forecasting to incur \$2,500 in 2019 for its Aylmer operations related to customer communication for the GGPPA. ENGLP will utilize existing communication methods such as bill inserts, bill messaging and webpage content to provide information related to the GGPPA to its customers, including communication on the program and the associated changes to ENGLP bill.

1.5 Other Expenses

13. ENGLP expects to incur other approximately \$5,000 in 2019 in other expenses related to attendance for relevant conferences or training to ensure directly impacted staff understand and remain informed on the GGPPA.



ENGLP GREENHOUSE GAS DEFERRAL AND VARIANCE ACCOUNTS

1. The purpose of this exhibit is to propose deferral/variance accounts for use associated with ENGLP's compliance with the GGPPA for its Aylmer operations.
2. ENGLP is proposing to use its existing Greenhouse Gas ("GHG") related deferral and variance accounts to record the costs related to its obligations under the GGPPA in 2019 and future years.
3. ENGLP currently has three existing GHG related deferral/variance accounts:
 - Greenhouse Gas Emissions Impact Deferral Account ("GGEIDA") (Account No. 179-49);
 - Greenhouse Gas Emissions Compliance Obligation - Customer-Related Deferral Account ("GGECRDA") (Account No. 179-50);
 - Greenhouse Gas Emissions Compliance Obligation - Facility-Related Deferral Account ("GGEFRDA") (Account No. 179-51).
4. The above three accounts were established through the Board's Decision and Order for EB-2016-0296 / EB-2016-0300 / EB-2016-0330 dated September 21, 2017. The purpose of these accounts is to record the differences between ENGLP's actual costs for its Aylmer operations associated with the obligations resulting from federal and/or provincial regulations related to GHG emission requirements and the amounts recovered in the rates approved by the Board. ENGLP notes that while the GGECRDA and GGEFRDA are defined as deferral accounts the function as variance accounts and are described as such in the existing accounting orders for these accounts which are provided in Exhibit D, Tab 2, Schedule 1 for reference.
5. The purpose of the GGEIDA is to record ENGLP's administrative costs associated with its obligations under federal and/or provincial regulations related to GHG emission requirements, the GGECRDA addresses costs related to the obligations arising from natural gas ENGLP delivers to its customers while the GGEFRDA addresses costs arising from the obligations related to ENGLP's facilities.



6. ENGLP records simple interest is calculated on the GGEIDA, GGECRDA and GGEFRDA balances, at the applicable Board approved short-term interest rate, on the monthly opening balances using the interest rate methodology as approved in EB-2006-0117.

7. The amounts recorded in these accounts to date are associated with ENGLP's obligations of the Ontario Government's Cap and Trade program. OEB is currently undertaking a prudence review (EB-2018-0331) to ensure that all costs incurred under the Cap and Trade program including the deferral and variance account balances disposed of are appropriate. As part of this review, ENGLP has requested approval for the disposition of the existing balances in the GGEIDA, GGECRDA and GGEFRDA.

8. ENGLP has not requested to close the GGEIDA, GGECRDA and GGEFRDA. As these accounts were established to address obligations resulting from federal and/or provincial regulations related to GHG emission requirements, ENGLP feels that using these accounts in association with its GGPPA obligations is appropriate.

9. ENGLP is requesting approval to use the existing GHG deferral/variance accounts to ensure compliance with the GGPPA in 2019 and beyond for its Aylmer operation and is specifically requesting:

- To use the existing GGEIDA account (Account No. 179-49) to record the administrative costs associated with the impacts of the GGPPA, as well as any other federal and/or provincial regulations related to GHG emission requirements for ENGLP's Aylmer operation effective January 1, 2019;
- To use the existing GGECRDA (Account No. 179-50) to record the variances between actual customer carbon costs and customer carbon costs recovered in rates for distribution volumes delivered by ENGLP effective April 1, 2019¹.
- To use the existing GGEFRDA (Account No. 179-51) to record the variances between actual facility carbon costs and facility carbon costs recovered in rates effective April 1, 2019.

10. The allocation and disposition of the 2019 account balances related to the Federal GGPPA will be addressed in a future proceeding.

¹ Except for exempted customers as described in Exhibit A

NATURAL RESOURCE GAS LIMITED

**Accounting Entries for
Greenhouse Gas Emissions Impact Deferral
Account Deferral Account No. 179-49**

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit/Credit Account No.179-49
Other Deferred Charges- Greenhouse Gas Emissions Impact Deferral Account

Credit/Debit Account No. 728
General Expense

To record, as a debit (credit) in Deferral Account No. 179-49, the administrative costs associated with the impacts of provincial and federal regulations related to greenhouse gas emission requirements.

Debit/Credit Account No.179 -49
Other Deferred Charges- Greenhouse Gas Emissions Impact Deferral Account

Credit/Debit Account No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179 -49, interest on the balance in Deferral Account No. 179-152. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

NATURAL RESOURCE GAS LIMITED

**Accounting Entries for
Greenhouse Gas Emissions Compliance Obligation - Customer-
Related Deferral Account No. 179-50**

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit/Credit Account No. 179-50
Other Deferred Charges - Greenhouse Gas Emissions Compliance
Obligation - Customer-Related

Credit/Debit Account No. 520; Account No. 521; Account No. 522
Gas Sales Residential; Gas Sales Commercial; Gas Sales Industrial

To record, as a debit (credit) in Deferral Account No. 179-50, the variance between actual customer-related obligation costs and customer-related obligation costs recovered in rates as approved by the Board.

Debit/Credit Account No. 179-50
Other Deferred Charges - Greenhouse Gas Emissions Compliance Obligation
- Customer-Related

Credit/Debit Account No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-50, interest on the balance in Deferral Account No. 179-154. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

NATURAL RESOURCE GAS LIMITED

**Accounting Entries for
Greenhouse Gas Emissions Compliance Obligation- Facility-Related
Deferral Account No. 179-51**

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit/Credit Account No. 179-51
Other Deferred Charges - Greenhouse Gas Emissions Compliance Obligation - Facility-Related

Debit/Credit Account No. 520; Account No. 521; Account No. 522
Gas Sales Residential; Gas Sales Commercial; Gas Sales Industrial

To record, as a debit (credit) in Deferral Account No. 179-51, the variance between actual facility-related obligation costs and facility-related obligation costs recovered in rates as approved by the Board.

Debit/Credit Account No. 179-51
Other Deferred Charges - Greenhouse Gas Emissions Compliance Obligation - Facility-Related

Credit/Debit Account No. 323
Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179 -51, interest on the balance in Deferral Account No. 179-155. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.



2019 FEDERAL CARBON PRICING PROGRAM COST RECOVERY

1. This exhibit provides details of ENGLP's proposed recovery of the forecasted 2019 costs related to the GGPPA, outlining ENGLP's proposal to incorporate the impacts of the GGPPA described in Exhibit B, Tab 1, Schedule 1 of this Application into the rates for its Aylmer operations effective April 1, 2019.
2. The GGPPA requires ENGLP to remit the Fuel Charge for both volumes delivered to customers and for company-use volumes. These costs will be recovered from customers through the flow through of the Fuel Charge as the Federal Carbon Charge and the inclusion of a Facility Carbon Charge in distribution rates as outlined below.
3. To incorporate the impacts of the GGPPA and as outlined in this Application into rates, effective April 1, 2019 ENGLP requests approval to introduce a new Federal Carbon Charge and include a Facility Carbon Charge in the monthly delivery charge for Rates 1 through 5 and in the monthly fixed charge for Rate 6. As outlined in Exhibit C, ENGLP proposes to record actual associated administrative costs incurred in a deferral account and will seek recovery of its actual administration costs related to the GGPPA in a future proceeding.
4. ENGLP's proposals for the Federal Carbon Charge, Facility Carbon Charge and Administration costs are detailed in the Sections below. The requested rate schedule changes and customer bill impacts are provided in Sections 1.3 and 1.4 respectively.

1.0 Federal Carbon Charge

5. ENGLP proposes to recover the Fuel Charge for 2019 through the implementation of a Federal Carbon Charge of 3.9100 cents/m³ for customers in Rates 1 through 5 beginning April 1, 2019. The 3.9100 cents/m³ is as established by Environment and Climate Change Canada under Schedule 2 of the GGPPA as described at Exhibit A.
6. As noted in Exhibit B, Tab 1, Schedule 1, ENGLP has received an Exemption Certificate for a Rate 6 customer (IGPC), as an OBPS qualified customer, and these volumes have been excluded from the calculation of the Federal Carbon Charge. OBPS-qualified customers with emissions exceeding 10 ktCO₂ e (assuming the registration of all voluntary participants), and customers that undertake a non-covered activity (e.g. facilities that use natural gas as a process



feedstock) will not be charged the Federal Carbon Charge. Further, pending confirmation from the Department of Finance Canada, ENGLP will charge eligible commercial greenhouse customers 20% of the Federal Carbon Charge, resulting in 80% greenhouse relief.

7. ENGLP proposes the Federal Carbon Charge be charged as a separate line item on customers' bills.

8. ENGLP will track the difference between the Federal Carbon Charge amount collected through rates and the actual Fuel Charge remitted to the CRA for customer related volumes in the GGRECRDA as described in Exhibit D, Tab 1, Schedule 1.

9. The Federal Carbon Charge customer-related forecast volumes and costs by rate class for the April 1, 2019 to December 31, 2019 period is provided at Exhibit E, Tab 2, Schedule 1.

1.1 Facility Carbon Charge

10. ENGLP will incur costs of compliance with the GGPPA that are associated with the operation of the distribution system. Facility Carbon Charge costs are expected for company use volumes (unaccounted for gas, distribution buildings, and NGV fleet volumes). No Facility Carbon Charge costs related to OBPS Volumes have been included.

11. All customers in each rate class will be responsible for the Facility Carbon Charge costs, regardless of whether the customer is exempt from the Federal Carbon Charge. ENGLP proposes to add the proposed Facility Carbon Charge to the current approved charges on customers' bills.

12. ENGLP proposes to recover Facility Carbon Charge costs from all customers in Rates 1 through 5 beginning April 1, 2019 using a volumetric charge of 0.0017 cents/ m³. The proposed Facility Carbon Charge for Rates 1 through 5 will be added to the current approved delivery charge for each Rate class

13. ENGLP proposes to recover Facility Carbon Charge costs from the customer in Rate 6 beginning April 1, 2019 using a fixed monthly charge of \$83.70 per month. The proposed Facility Carbon Charge for Rate 6 will be added to the current approved monthly fixed charge for this customer.



14. The Facility Carbon Charge forecast volumes and costs for 2019 and the determination of the proposed volumetric rate for Rates 1 through 5 and fixed rate for Rate 6 is provided at Exhibit E, Tab 2, Schedule 2.

1.2 Administration Costs

15. ENGLP is not proposing to include the administration costs associated with the implementation and administration of the GGPPA in 2019 rates. The administration costs incurred in 2019 will be recorded in the existing GGEIDA, and will be disposed of as part of a future proceeding, as described in Exhibit C, Tab 1, Schedule 1.

1.3 Rate Schedule Changes

16. ENGLP will separately identify the Federal Carbon Charge as a new line item on customers' bills for all customer rate classes (Rate 1 through Rate 6). The Facility Carbon Charge will be embedded in the delivery or transportation charges on customer bills for Rate 1 through Rate 5. For Rate 6, ENGLP proposes that the Facility Carbon Charge be embedded in the fixed monthly charge.

17. A summary of the Federal Carbon Charge and Facility Carbon Charge unit rates by rate class for the April 1 to December 31, 2019 period is provided at Exhibit E, Tab 2, Schedule 3.

18. ENGLP has updated its rate schedules for its Aylmer operations to incorporate the impacts of the Application within each rate schedule including the addition of the Federal Carbon Charge as a separate charge, and the inclusion of the Facility Carbon Charge in the current approved delivery or monthly rate as applicable.

19. Draft Rate Schedules incorporating these changes are included in Exhibit E, Tab 3, Schedule 1.

1.4 Customer Bill Impacts

20. The bill impact for a typical residential customer with annual consumption of 1,780 m³ is an increase of \$69.63 per year. Exhibit E, Tab 2, Schedule 4 provides a summary of the customer bill impacts for each rate class. Detailed bill impacts for a typical customer in each rate class are provided in Exhibit E, Tab 2, Schedule 5.



FEDERAL CARBON CHARGE UNIT RATE DETAILS

Line No.	Customer Rate	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
		Net Volume ¹ m ³	Federal Carbon Charge ² \$/m ³	Federal Carbon Cost ³ \$	Recovery Net Volumes ⁴ m ³	Federal Carbon Chg Unit Rate ⁵ cents/m ³
1	Rate 1	12,219,782	0.0391	477,793	12,219,782	
2	Rate 2	1,288,060	0.0391	50,363	1,288,060	
3	Rate 3	1,023,492	0.0391	40,019	1,023,492	
4	Rate 4	1,075,211	0.0391	42,041	1,075,211	
5	Rate 5	660,692	0.0391	25,833	660,692	
6	Rate 6	-	0.0391	-	-	
7		<u>16,267,237</u>		<u>636,049</u>	<u>16,267,237</u>	3.9100

Notes:

- (1) Exhibit B, Tab 2, Schedule 1
- (2) Exhibit B, Tab 2, Schedule 3, Line No. 2
- (3) Col. 1 x Col. 2
- (4) Recovery volume for period from April 1, 2019 to December 31, 2019
- (5) Col.3 / Col.4 x 100



FACILITY CARBON CHARGE CALCULATIONS

Line No.	Col. 1 Net Volume ¹ m ³	Col. 2 Federal Carbon Charge ² \$/m ³	Col. 3 Federal Carbon Cost ³ \$	Col. 4 Recovery Net Volumes ⁴ m ³	Col. 5 Federal Carbon Chg Unit Rate ⁵ cents/m ³
1	Company Use				
2	Unaccounted for Gas	-	0.0391	-	
3	Buildings	4,785	0.0391	187	
4	NGV Fleet	22,238	0.0391	869	
5	Unit Rate	<u>27,023</u>	<u>1,057</u>	60,578,655	0.0017

Notes:

- (1) Exhibit B, Tab 2, Schedule 2
- (2) Exhibit B, Tab 2, Schedule 3, Line No. 5
- (3) Col. 1 x Col. 2
- (4) Recovery volume for period from April 1, 2019 to December 31, 2019
- (5) Col.3 / Col.4 x 100

Facility Charge for Rate 6 (fixed monthly charge - \$/month)	Col. 1 Volume ⁶ m ³	Col. 2 Unit Rate cents/m3	Col. 3 FCC Charge \$	Col. 4 FCC Charge ⁷ \$/ month
6 Rate 6 (IGPC)	44,311,418	0.0017	753.29	83.70



SUMMARY OF FEDERAL CARBON CHARGE AND FACILITY CARBON CHARGE UNIT RATES BY RATE CLASS

ENGLP

2019 Carbon Charge Unit Rate by Rate Class (April 1 to December 31, 2019)

Rate Class	Charge	Unit	Rate
Rate 1	Federal Carbon Charge (if applicable) Facility Carbon Charge	cents / m ³ cents / m ³	3.9100 0.0017
Rate 2	Federal Carbon Charge (if applicable) Facility Carbon Charge	cents / m ³ cents / m ³	3.9100 0.0017
Rate 3	Federal Carbon Charge (if applicable) Facility Carbon Charge	cents / m ³ cents / m ³	3.9100 0.0017
Rate 4	Federal Carbon Charge (if applicable) Facility Carbon Charge	cents / m ³ cents / m ³	3.9100 0.0017
Rate 5	Federal Carbon Charge (if applicable) Facility Carbon Charge	cents / m ³ cents / m ³	3.9100 0.0017
Rate 6	Facility Carbon Charge	\$ / month	\$83.70



SUMMARY OF CUSTOMER BILL IMPACTS

Rate Class	Annual Bill Current Rates	Annual Bill Proposed Rates	Change (\$)	Change (%)
Rate 1 Residential	485.34	554.97	69.63	14.35%
Rate 1 Commercial	814.46	972.96	158.50	19.46%
Rate 1 Industrial	1,942.64	2,423.45	480.81	24.75%
Rate 2	2,635.63	3,195.03	559.40	21.22%
Rate 3	92,966.75	97,580.57	4,613.81	4.96%
Rate 4	2,236.50	2,877.89	641.40	28.68%
Rate 5	12,755.82	19,420.11	6,664.29	52.25%
Rate 6	1,139,531.00	1,140,535.40	1,004.40	0.09%



Table 1
Detailed Bill Impacts Rate 1 – Residential (Typical)
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1	Fixed Monthly Rate	12	15.50	15.50	186.00	186.00	0.00	0.00%
2	Tier 1 Rate (first 1,000 m ³ 's) ²	1,780	15.9486	15.9503	283.92	283.95	0.03	0.01%
3	Tier 2 Rate (> 1,000 m ³ 's) ²	0	11.3519	11.3536	0.00	0.00	0.00	0.00%
4	Delivery Rates				469.92	469.95	0.03	0.01%
5	IRM Rebalancing	12	1.8140	1.81	21.77	21.77	0.00	0.00%
6	Delivery Rates & IRM Rebalancing				491.68	491.71	0.03	0.01%
7	Federal Carbon Charge (if applicable)	1,780	0.0000	3.9100	0.00	69.60	69.60	100.00%
8	PGTVA Rate Rider	1,780	(1.7172)	-1.7172	-30.57	-30.57	0.00	0.00%
9	REDA Rate Rider	12	1.5000	1.50	18.00	18.00	0.00	0.00%
10	2019 Shared Tax Changes Rate Rider	12	0.1084	0.11	1.30	1.30	0.00	0.00%
11	2018 Shared Tax Changes Rate Rider	12	0.0271	0.03	0.33	0.33	0.00	0.00%
12	2018 Unrecovered IRM Adjustment Rate Rider	1,780	0.2221	0.2221	3.95	3.95	0.00	0.00%
13	Total Bill Excluding System Gas Fee				484.70	554.32	69.63	14.37%
14	System Gas Fee	1,780	0.0363	0.0435	0.65	0.65	0.00	0.00%
15	Total Bill				485.34	554.97	69.63	14.35%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 2
Detailed Bill Impacts Rate 1 - Commercial (Typical)
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1	Fixed Monthly Rate	12	15.50	15.50	186.00	186.00	0.00	0.00%
2	Tier 1 Rate (first 1,000 m ³ 's) ²	4,052	15.9486	15.9503	646.18	646.25	0.07	0.01%
3	Tier 2 Rate (> 1,000 m ³ 's) ²	0	11.3519	11.3536	0.00	0.00	0.00	0.00%
4	Delivery Rates				832.18	832.25	0.07	0.01%
5	IRM Rebalancing	12	1.81	1.81	21.77	21.77	0.00	0.00%
6	Delivery Rates & IRM Rebalancing				853.94	854.01	0.07	0.01%
7	Federal Carbon Charge (if applicable)	4,052	0.0000	3.9100	0.00	158.43	158.43	100.00%
8	PGTVA Rate Rider	4,052	(1.7172)	-1.7172	-69.58	-69.58	0.00	0.00%
9	REDA Rate Rider	12	1.50	1.50	18.00	18.00	0.00	0.00%
10	2019 Shared Tax Changes Rate Rider	12	0.11	0.11	1.30	1.30	0.00	0.00%
11	2018 Shared Tax Changes Rate Rider	12	0.03	0.03	0.33	0.33	0.00	0.00%
12	2018 Unrecovered IRM Adjustment Rate Rider	4,052	0.2221	0.2221	9.00	9.00	0.00	0.00%
13	Total Bill Excluding System Gas Fee				812.99	971.49	158.50	19.50%
14	System Gas Fee	4,052	0.0363	0.0363	1.47	1.47	0.00	0.00%
15	Total Bill				814.47	972.96	158.50	19.46%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 3
Detailed Bill Impacts Rate 1 - Industrial (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1	Fixed Monthly Rate	12	15.50	17.00	186.00	186.00	0.00	0.00%
2	Tier 1 Rate (first 1,000 m ³ 's) ²	10,860	15.9486	15.9503	1,732.07	1,732.25	0.18	0.01%
3	Tier 2 Rate (> 1,000 m ³ 's) ²	1,431	11.3519	11.3536	162.48	162.51	0.02	0.01%
4	Delivery Rates				2,080.55	2,080.76	0.21	0.01%
5	IRM Rebalancing	12	1.8140	1.81	21.77	21.77	0.00	0.00%
6	Delivery Rates & IRM Rebalancing				2,102.32	2,102.53	0.21	0.01%
7	Federal Carbon Charge (if applicable)	12,292	0.0000	3.9100	0.00	480.60	480.60	100.00%
8	PGTVA Rate Rider	12,292	(1.7172)	-1.7172	-211.07	-211.07	0.00	0.00%
9	REDA Rate Rider	12	1.50	1.50	18.00	18.00	0.00	0.00%
10	2019 Shared Tax Changes Rate Rider	12	0.11	0.11	1.30	1.30	0.00	0.00%
11	2018 Shared Tax Changes Rate Rider	12	0.03	0.03	0.33	0.33	0.00	0.00%
12	2018 Unrecovered IRM Adjustment Rate Rider	12,292	0.2221	0.2221	27.30	27.30	0.00	0.00%
13	Total Bill Excluding System Gas Fee				1,938.17	2,418.99	480.81	24.81%
14	System Gas Fee	12,292	0.0363	0.0363	4.46	4.46	0.00	0.00%
15	Total Bill				1,942.64	2,423.45	480.81	24.75%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 4
Detailed Bill Impacts Rate 2 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	17.25	17.25	207.00	207.00	0.00	0.00%
2 April - October								
3 Tier 1 (First 1,000 m3 per month) ²	cents / m3	431	17.2765	17.2782	74.48	74.49	0.01	0.01%
4 Tier 2 (Next 24,000 m3 per month) ²	cents / m3	0	9.4826	9.4843	0.00	0.00	0.00	0.00%
5 Tier 3 (Over 25,000 m3 per month) ²	cents / m3	0	6.1698	6.1715	0.00	0.00	0.00	0.00%
6 November - March								
7 Tier 1 (First 1,000 m3 per month) ²	cents / m3	3,832	21.7767	21.7784	834.49	834.56	0.07	0.01%
8 Tier 2 (Next 24,000 m3 per month) ²	cents / m3	10,037	15.6960	15.6977	1575.48	1,575.65	0.17	0.01%
9 Tier 3 (Over 25,000 m3 per month) ²	cents / m3	0	15.2899	15.2916	0.00	0.00	0.00	0.00%
10 Delivery Rates					2,691.46	2,691.70	0.24	0.01%
11 IRM Rebalancing		12	11.5587	11.56	138.70	138.70	0.00	0.00%
12 Delivery Rates & IRM Rebalancing					2,830.16	2,830.40	0.24	0.01%
13 PGTVA Rate Rider	cents / m3	14,301	(1.7172)	-1.7172	-245.57	-245.57	0.00	0.00%
13 Federal Carbon Charge (if applicable)	cents / m3	14,301	0.0000	3.9100	0.00	559.15	559.15	100.00%
15 REDA Rate Rider	\$ / month	12	1.50	1.50	18.00	18.00	0.00	0.00%
16 2019 Shared Tax Changes Rate Rider	\$ / month	12	0.69	0.69	8.29	8.29	0.00	0.00%
17 2018 Shared Tax Changes Rate Rider	\$ / month	12	0.17	0.17	2.07	2.07	0.00	0.00%
18 2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	14,301	0.1223	0.1223	17.49	17.49	0.00	0.00%
19 Total Bill Excluding System Gas Fee					2,630.44	3,189.84	559.40	21.27%
20 System Gas Fee	cents / m3	14,301	0.0363	0.0363	5.19	5.19	0.00	0.00%
21 Total Bill					2,635.63	3,195.03	559.40	21.22%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 5
Detailed Bill Impacts Rate 3 (Typical)
(\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	172.50	172.50	2,070.00	2,070.00	0.00	0.00%
2 Firm Demand	cents / m3 / month	297,114	29.0974	29.0974	86,452.45	86,452.45	0.00	0.00%
3 Firm Delivery ²	cents / m3	117,949	4.3127	4.3144	5,086.79	5,088.80	2.01	0.04%
4 Delivery Rates					93,609.24	93,611.25	2.01	0.00%
5 IRM Rebalancing Rider	\$ / month	12	94.10	94.10	1,129.24	1,129.24	0.00	0.00%
6 Delivery Rates & IRM Rebalancing					94,738.48	94,740.49	2.01	0.00%
7 PGTVA Rate Rider	cents / m3	117,949	(1.7172)	-1.7172	-2,025.42	-2,025.42	0.00	0.00%
8 Federal Carbon Charge (if applicable)	cents / m3	117,949	0.0000	3.9100	0.00	4,611.81	4,611.81	100.00%
9 REDA Rate Rider	\$ / month	12	1.50	1.50	18.00	18.00	0.00	0.00%
10 2019 Shared Tax Changes Rate Rider	\$ / month	12	5.62	5.62	67.49	67.49	0.00	0.00%
11 2018 Shared Tax Changes Rate Rider	\$ / month	12	1.41	1.41	16.87	16.87	0.00	0.00%
12 2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	117,949	0.0920	0.0920	108.51	108.51	0.00	0.00%
13 Total Bill Excluding System Gas Fee					92,923.94	97,537.75	4,613.81	4.97%
14 System Gas Fee	cents / m3	117,949	0.0363	0.0363	42.82	42.82	0.00	0.00%
15 Total Bill					92,966.75	97,580.57	4,613.81	4.96%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 6
Detailed Bill Impacts Rate 4 (Typical)
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	17.25	17.25	207.00	207.00	0.00	0.00%
2 April - December								
3 Block 1 (First 1,000 m ³ per month) ²	cents / m3	1,717	17.1487	17.1504	294.51	294.54	0.03	0.01%
4 Block 2 (Over 1,000 m ³ per month) ²	cents / m3	11,740	10.5218	10.5235	1,235.22	1,235.41	0.20	0.02%
5 January - March								
6 Block 1 (First 1,000 m ³ per month) ²	cents / m3	1,000	21.8770	21.8787	218.77	218.79	0.02	0.01%
7 Block 2 (Over 1,000 m ³ per month) ²	cents / m3	1,940	16.9052	16.9069	327.94	327.98	0.03	0.01%
8 Delivery Rates					2,283.44	2,283.72	0.28	0.01%
9 IRM Rebalancing Rider	\$ / month	12	14.26	14.26	171.11	171.11	0.00	0.00%
10 Delivery Rates & IRM Rebalancing					2,454.55	2,454.83	0.28	0.01%
11 PGTVA Rate Rider	cents / m3	16,397	(1.7172)	(1.7172)	(281.57)	(281.57)	0.00	0.00%
12 Federal Carbon Charge (if applicable)	cents / m3	16,397	0.0000	3.9100	0.00	641.12	641.12	100.00%
14 REDA Rate Rider	\$ / month	12	1.50	1.50	18.00	18.00	0.00	0.00%
15 2019 Shared Tax Changes Rate Rider	\$ / month	12	0.85	0.85	10.23	10.23	0.00	0.00%
16 2018 Shared Tax Changes Rate Rider	\$ / month	12	0.21	0.21	2.56	2.56	0.00	0.00%
17 2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	16,397	0.1633	0.1633	26.78	26.78	0.00	0.00%
18 Total Bill Excluding System Gas Fee					2,230.54	2,871.94	641.40	28.76%
19 System Gas Fee	cents / m3	16,397	0.0363	0.0363	5.95	5.95	0.00	0.00%
20 Total Bill					2,236.50	2,877.89	641.40	28.68%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) - Facility Carbon Charge embedded in Delivery charges.



Table 7
Detailed Bill Impacts Rate 5 (Typical)
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate	\$ / month	12	172.50	172.50	2,070.00	2,070.00	0.00	0.00%
2 Firm Delivery ²	cents / m3	170,368	7.5439	7.5456	12,852.42	12,855.32	2.90	0.02%
3 Delivery Rates					14,922.42	14,925.32	2.90	0.02%
4 IRM Rebalancing Rider	\$ / month	12	41.23	41.23	494.78	494.78	0.00	0.00%
5 Delivery Rates & IRM Rebalancing					15,417.20	15,420.10	2.90	0.02%
6 PGTVA Rate Rider	cents / m3	170,368	(1.7172)	-1.7172	-2,925.56	-2,925.56	0.00	0.00%
7 Federal Carbon Charge (if applicable)	cents / m3	170,368	0.0000	3.9100	0.00	6,661.39	6,661.39	100.00%
8 REDA Rate Rider	\$ / month	12	1.50	1.50	18.00	18.00	0.00	0.00%
9 2019 Shared Tax Changes Rate Rider	\$ / month	12	2.46	2.46	29.57	29.57	0.00	0.00%
10 2018 Shared Tax Changes Rate Rider	\$ / month	12	0.62	0.62	7.39	7.39	0.00	0.00%
11 2018 Unrecovered IRM Adjustment Rate Rider	cents / m3	170,368	0.0865	0.0865	147.37	147.37	0.00	0.00%
12 Total Bill Excluding System Gas Fee					12,693.97	19,358.26	6,664.29	52.50%
13 System Gas Fee	cents / m3	170,368	0.0363	0.0363	61.84	61.84	0.00	0.00%
14 Total Bill					12,755.82	19,420.11	6,664.29	52.25%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in Delivery charges.



Table 8
Detailed Bill Impacts Rate 6
 (\$)

	A	B	C	D	E	F	G	H
	Unit	Bill Determinant	Current Rate	Proposed Rate	Billed Amount with Current Rate	Billed Amount with Proposed Rate ¹	Change (\$)	Change (%)
1 Fixed Monthly Rate ²	\$ / month	12	94,490.62	94,574.32	1,133,887.44	1,134,891.84	1,004.40	100.00%
2 REDA Rate Rider	\$ / month	12	1.50	1.50	18.00	18.00	0.00	0.00%
3 2019 Shared Tax Changes Rate Rider	\$ / month	12	375.04	375.04	4,500.45	4,500.45	0.00	0.00%
4 2018 Shared Tax Changes Rate Rider	\$ / month	12	93.76	93.76	1,125.11	1,125.11	0.00	0.00%
5 Total Bill					1,139,531.00	1,140,535.40	1,004.40	0.09%

Note (1) - Annual Customer Bill Impact calculated assuming proposed rates for 12 months.

Note (2) – Facility Carbon Charge embedded in the Fixed Monthly Rate.



Filed: 2019-03-08
EB-2019-0101
Exhibit E
Tab 3
Schedule 1
Page 1 of 18

**EPCOR Natural Gas LP
Draft Rate Schedules
EB-2019-0101
Effective: April 1, 2019**



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

All customers.

Rate

a)	Monthly Fixed Charge	\$15.50
	Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.1084
	Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.0271
	Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50
	Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$1.8140
b)	Delivery Charge	
	First 1,000 m ³ per month	15.9486 cents per m ³
	All over 1,000 m ³ per month	11.3519 cents per m ³
	Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.2221 cents per m ³
	Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m ³
c)	Carbon Charges	
	- Federal Carbon Charge (if applicable)	3.9100 cents per m ³
	- Facility Carbon Charge	0.0017 cents per m ³
d)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be



increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled 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 Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 2 - Seasonal Service

Rate Availability

The entire service area of the company.

Eligibility

All customers.

Rate

For all gas consumed from:	April 1 through October 31:	November1 through March 31:
a) Monthly Fixed Charge	\$17.25	\$17.25
Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.6908	\$0.6908
Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.1727	\$0.1727
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50	\$1.50
Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$11.5587	\$11.5587
b) Delivery Charge		
First 1,000 m ³ per month	17.2765 cents per m ³	21.7767 cents per m ³
Next 24,000 m ³ per month	9.4826 cents per m ³	15.6960 cents per m ³
All over 25,000 m ³ per month	6.1698 cents per m ³	15.2899 cents per m ³
Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.1223 cents per m ³	0.1223 cents per m ³
Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m ³	(1.7172) cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)	3.9100 cents per m ³	3.9100 cents per m ³
- Facility Carbon Charge	0.0017 cents per m ³	0.0017 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.



Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled 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 Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 3 - Special Large Volume Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a combined daily contracted demand for firm and interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 113,000 m³.

Rate

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

- a) A Monthly Customer Charge:

A Monthly Customer Charge of \$172.50 for firm or interruptible customers; or
A Monthly Customer Charge of \$201.25 for combined (firm and interruptible) customers.

Rate Rider for 2019 Shared Tax Changes \$5.6243
– effective for 12 months ending December 31, 2019

Rate Rider for Oct-Dec 2018 Shared Tax Changes \$1.4061
– effective for 12 months ending December 31, 2019

Rate Rider for REDA Recovery \$1.50
– effective for 12 months ending December 31, 2019

Rate Rider for 2019 Rate Base Rebalancing \$94.1034
– effective for 12 months ending December 31, 2019

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 29.0974 cents per m³ for each m³ of daily contracted firm demand.

- c) A Monthly Delivery Charge:

(i) A Monthly Firm Delivery Charge for all firm volumes of 4.3127 cents per m³,

(ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 10.9612 cents per m³ and not to be less than 7.9412 per m³.

Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment 0.0920 cents per m³
– effective for 12 months ending December 31, 2019

Rate Rider for PGTVA disposal (1.7172) cents per m³
– effective for 12 months ending December 31, 2019



- d) Carbon Charges
 - Federal Carbon Charge (if applicable) 3.9100 cents per m³
 - Facility Carbon Charge 0.0017 cents per m³
- e) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A
- f) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then,

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 3 Firm Delivery Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun



volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

Bundled 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 Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

All customers whose operations, in the judgment of EPCOR NATURAL GAS LIMITED PARTNERSHIP, can readily accept interruption and restoration of gas service with 24 hours' notice.

Rate

For all gas consumed from:	April 1 through December 31:	January 1 through March 31:
a) Monthly Fixed Charge	\$17.25	\$17.25
Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.8522	\$0.8522
Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.2131	\$0.2131
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50	\$1.50
Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$14.2590	\$14.2590
b) Delivery Charge		
First 1,000 m ³ per month	17.1487 cents per m ³	21.8770 cents per m ³
All over 1,000 m ³ per month	10.5218 cents per m ³	16.9052 cents per m ³
Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.1633 cents per m ³	0.1633 cents per m ³
Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m ³	(1.7172) cents per m ³
c) Carbon Charges		
- Federal Carbon Charge (if applicable)		3.9100 cents per m ³
- Facility Carbon Charge		0.0017 cents per m ³
d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.



Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled 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 Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a daily contracted demand for interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 50,000 m³.

Rate

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

a)	Monthly Fixed Charge	\$172.50
	Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$2.4643
	Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$0.6161
	Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$1.50
	Rate Rider for 2019 Rate Base Rebalancing – effective for 12 months ending December 31, 2019	\$41.2315
b)	A Monthly Delivery Charge:	
	A Monthly Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 8.4612 cents per m ³ and not to be less than 5.4612 per m ³ .	
	Rate Rider for Oct-Dec 2018 Unrecovered IRM Adjustment – effective for 12 months ending December 31, 2019	0.0865 cents per m ³
	Rate Rider for PGTVA disposal – effective for 12 months ending December 31, 2019	(1.7172) cents per m ³
c)	Carbon Charges	
	- Federal Carbon Charge (if applicable)	3.9100 cents per m ³
	- Facility Carbon Charge	0.0017 cents per m ³
d)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A
e)	Overrun Gas Charge:	

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.



If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any applicable Gas Supply Charge.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption and the pattern of annual use and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas of 50,000 m³. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 7.3503 cents per m³ for interruptible gas.

Bundled 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 Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by EPCOR, customers who are delivering gas to EPCOR under direct purchase arrangements must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty



When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility

Rate Availability

Rate 6 is available to the Integrated Grain Processors Co-Operative, Aylmer Ethanol Production Facility only.

Eligibility

Integrated Grain Processors Co-Operative’s (“IGPC”) ethanol production facility located in the Town of Aylmer

Rate

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

- a) Fixed Monthly Charge of \$93,490.62 for firm services

Rate Rider for 2019 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$375.0371
Rate Rider for Oct-Dec 2018 Shared Tax Changes – effective for 12 months ending December 31, 2019	\$93.7593
Rate Rider for REDA Recovery – effective for 12 months ending December 31, 2019	\$0.04
- b) Carbon Charges

- Fixed Monthly Facility Carbon Charge	\$83.70
--	---------
- c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A
- d) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, IGPC should take, without the company’s approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to IGPC on such day, or if, on any day, IGPC fails to comply with any curtailment notice reducing IGPC’s take of gas, then,

- (i) the volume of gas taken in excess of the company’s maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 6 Firm Delivery Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall



apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, IGPC shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which IGPC is willing to contract;
- b) The load factor of IGPC's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which IGPC is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions; and
- d) Competition.

Purchased Gas Transportation Charges

In addition to the Rates and Charges outlined above, IGPC is responsible for all costs, charges and fees incurred by EPCOR related to gas supplied by Enbridge Gas Inc. to EPCOR's system for IGPC. All actual charges billed to ENGLP by Enbridge Gas Inc. under former Union Gas contract ID SA008936 and SA008937, as amended or replaced from time to time, shall be billed to IGPC by EPCOR when and as billed to EPCOR by Enbridge Gas Inc.

Bundled Direct Purchase Delivery

Where IGPC elects under this rate schedule to directly purchase its gas from a supplier other than EPCOR, IGPC or its agent must enter into a Bundled T-Service Receipt Contract with EPCOR for delivery of gas to EPCOR. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to IGPC if it elects said Bundled T transportation service.

Unless otherwise authorized by EPCOR, IGPC, when delivering gas to EPCOR under direct purchase arrangements, must obligate to deliver said gas at a point acceptable to EPCOR, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

SCHEDULE A – Gas Supply Charges

Rate Availability

Entire service area of the company.

Eligibility

All customers served under Rates 1, 2, 3, 4, 5 and 6.

Rate

The Gas Supply Charge applicable to all sales customers shall be made up of the following charges:

PGCVA Reference Price	(EB-2018-0324(Interim))	18.6050 cents per m ³
GPRA Recovery Rate	(EB-2018-0324(Interim))	(0.6778) cents per m ³
System Gas Fee	(EB-2010-0018)	<u>0.0363</u> cents per m ³
Total Gas Supply Charge		<u>17.9635</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account
GPRA means Gas Purchase Rebalancing Account

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

RATE BT1 – Bundled Direct Purchase Contract Rate

Availability

Rate BT1 is available to all customers or their agent who enter into a Receipt Contract for delivery of gas to EPCOR. The availability of this option is subject to EPCOR obtaining a satisfactory agreement or arrangement with Enbridge Gas Inc. and EPCOR's gas supplier for direct purchase volume and DCQ offsets.

Eligibility

All customers electing to purchase gas directly from a supplier other than EPCOR must enter into a Bundled T-Service Receipt Contract with EPCOR either directly or through their agent, for delivery of gas to EPCOR at a mutually acceptable delivery point.

Rate

For gas delivered to EPCOR at any point other than the Ontario Point of Delivery, EPCOR will charge a customer or their agent all approved tolls and charges incurred by EPCOR to transport the gas to the Ontario Point of Delivery.

Note:

Ontario Point of Delivery means Dawn or Parkway on the Enbridge Gas Inc. (Union South) System as agreed to by EPCOR and EPCOR's customer or their agent.

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101



EPCOR NATURAL GAS LIMITED PARTNERSHIP

Transmission Service

Availability

Transmission Service charges shall be applied to Natural Resource Gas Corp.

Eligibility

Only Natural Resource Gas Corp. shall be charged the Transmission Service Rate. Fees and Charges will be applied only in those months that Natural Resource Gas Corp. delivers gas to a delivery point on EPCOR's system.

Rate

Administrative Charge	\$250/month
Transportation Rate	\$0.95/mcf

Effective: April 1, 2019

Implementation: All bills rendered on or after April 1, 2019

EB-2019-0101