



Ontario
Energy
Board

YEARBOOK OF NATURAL GAS DISTRIBUTORS

2020/21



Background on Statistical Yearbook of Natural Gas Distributors

The Ontario Energy Board (**OEB**) is the regulator of Ontario's natural gas and electricity sectors. In the natural gas sector, the OEB reviews and approves rates proposed to be charged to customers by regulated natural gas distributors.* The OEB licenses all marketers who sell natural gas to residential and small commercial customers.

The OEB provides this Yearbook of Natural Gas Distributors to publish the financial and operational information collected from regulated natural gas distributors. It is compiled from data submitted by the distributors through the OEB's Reporting and Record-Keeping Requirements.

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*There are five small gas companies that are exempt from rate regulation under the OEB Act, as well as two municipally owned gas companies (City of Kitchener and City of Kingston) that are not rate regulated by the OEB.

Key Metrics Overview of Ontario Natural Gas Distributors' Sector

Industry Metrics Snapshot

Financial Item / Metric	2016	2017	2018	2019	2020
Operating Revenues (\$) ¹	4,629,905,581	5,446,016,294	5,388,183,841	5,088,601,602	4,526,913,356
Net Income (\$)	433,988,410	481,665,263	565,379,399	557,150,806	495,228,125
Return on Shareholders' Equity (%) ²	8.69%	8.93%	11.45%	5.57%	4.93%
Operating Expenses (\$) ³	3,336,245,690	4,050,734,331	3,874,781,299	3,458,134,993	2,964,531,066
Depreciation Expense (\$)	558,697,466	594,168,499	608,808,669	638,468,356	656,955,198
Net Property, Plant and Equipment (\$)	13,993,950,193	15,312,793,338	15,037,654,293	15,433,279,142	15,933,314,956
Number of Customers ⁴	3,598,700	3,653,986	3,701,403	3,717,399	3,740,847
Gas Volumes (in million cubic meters) ⁵	24,564	24,533	26,088	26,704	25,065

¹ Operating revenues include revenues derived from utility operations.

² ROE is calculated as the sum of gas utilities' net income divided by total shareholders' equity.

³ Operating expenses includes gas cost, operating and maintenance expenses.

⁴ Total customers include system gas customers and direct purchase customers of gas marketers licensed by the OEB.

⁵ Annual gas volumes include quantities of gas sold to system gas customers and quantities of gas delivered to direct purchase customers.

**Balance Sheet
as of
December 31****Current Assets**

	Enbridge Gas	EPCOR Natural Gas	Industry
	\$	\$	\$
Cash	9,288,618	6,575	9,295,193
Accounts Receivable	1,120,316,056	3,378,548	1,123,694,604
Gas Inventories	657,144,935	-	657,144,935
Other Current Assets	134,333,382	1,992,696	136,326,078
Total Current Assets	1,921,082,991	5,377,819	1,926,460,810

Non-Current Assets

Property, Plant & Equipment	15,865,986,334	67,328,622	15,933,314,956
Long-Term Investments	2	3,269,220	3,269,222
Deferred Charges	2,359,829,410	1,457,810	2,361,287,220
Other Non-Current Assets	5,089,903,858	(412,509)	5,089,491,349
Total Non-Current Assets	23,315,719,604	71,643,143	23,387,362,747

Total Assets

25,236,802,595	77,020,962	25,313,823,557
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Current Liabilities

Bank Overdraft, Loans and Notes Payable	1,120,846,735	-	1,120,846,735
Accounts Payable & Accrued Liabilities	1,299,535,214	18,835,259	1,318,370,473
Other Current Liabilities	81,097,188	14,464	81,111,652
Income Taxes Payable	47,389,762	-	47,389,762
Current Portion of Long-Term Debt	376,577,874	36,911	376,614,785
Total Current Liabilities	2,925,446,773	18,886,634	2,944,333,407

Non-Current Liabilities

Long-Term Debt	8,653,141,653	37,653,200	8,690,794,853
Deferred Income Taxes	1,522,285,424	-	1,522,285,424
Other Non-Current Liabilities	2,118,298,468	-	2,118,298,468
Total Non-Current Liabilities	12,293,725,545	37,653,200	12,331,378,745

Total Liabilities

15,219,172,318	56,539,834	15,275,712,152
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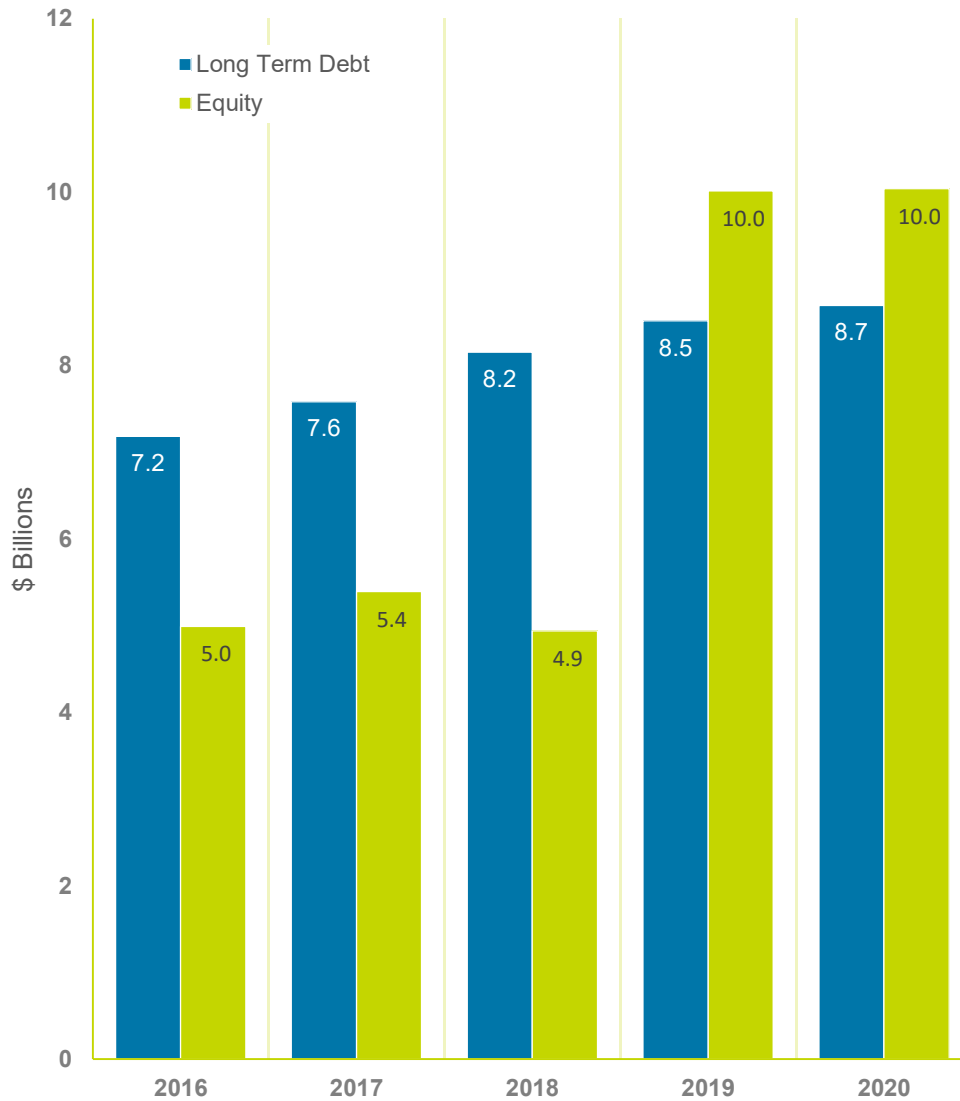
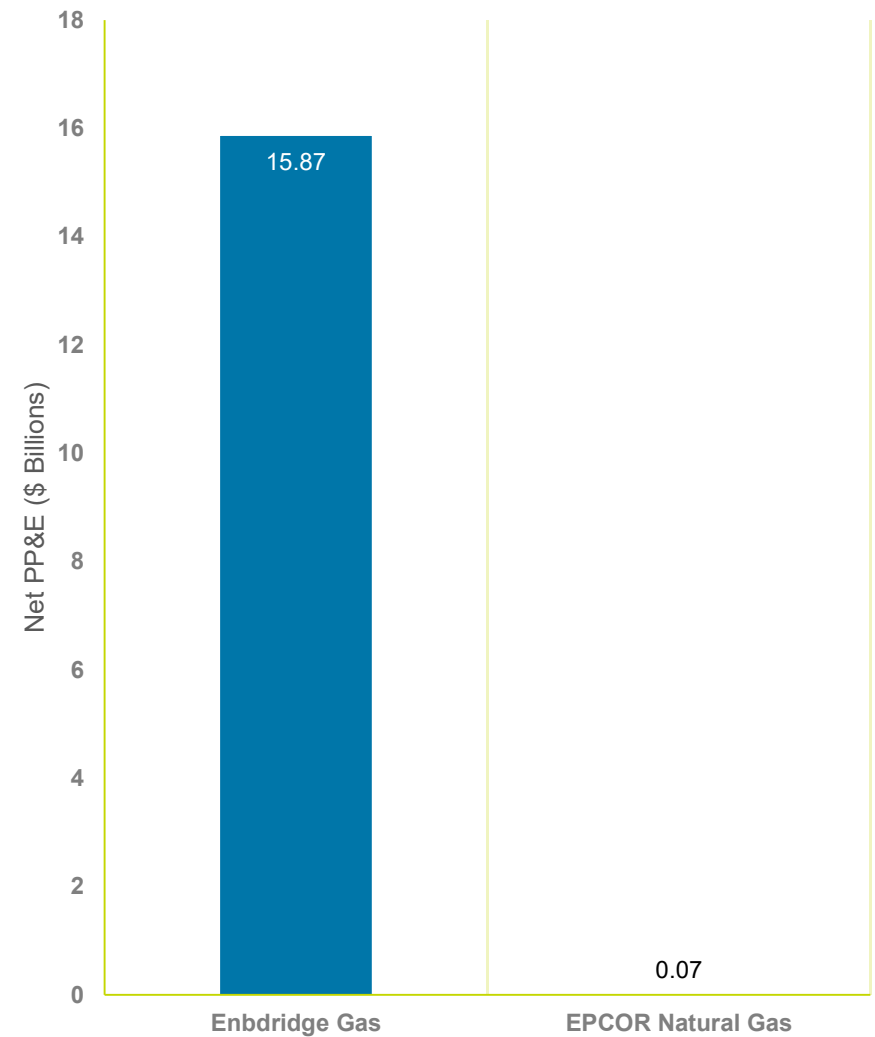
Shareholders' Equity

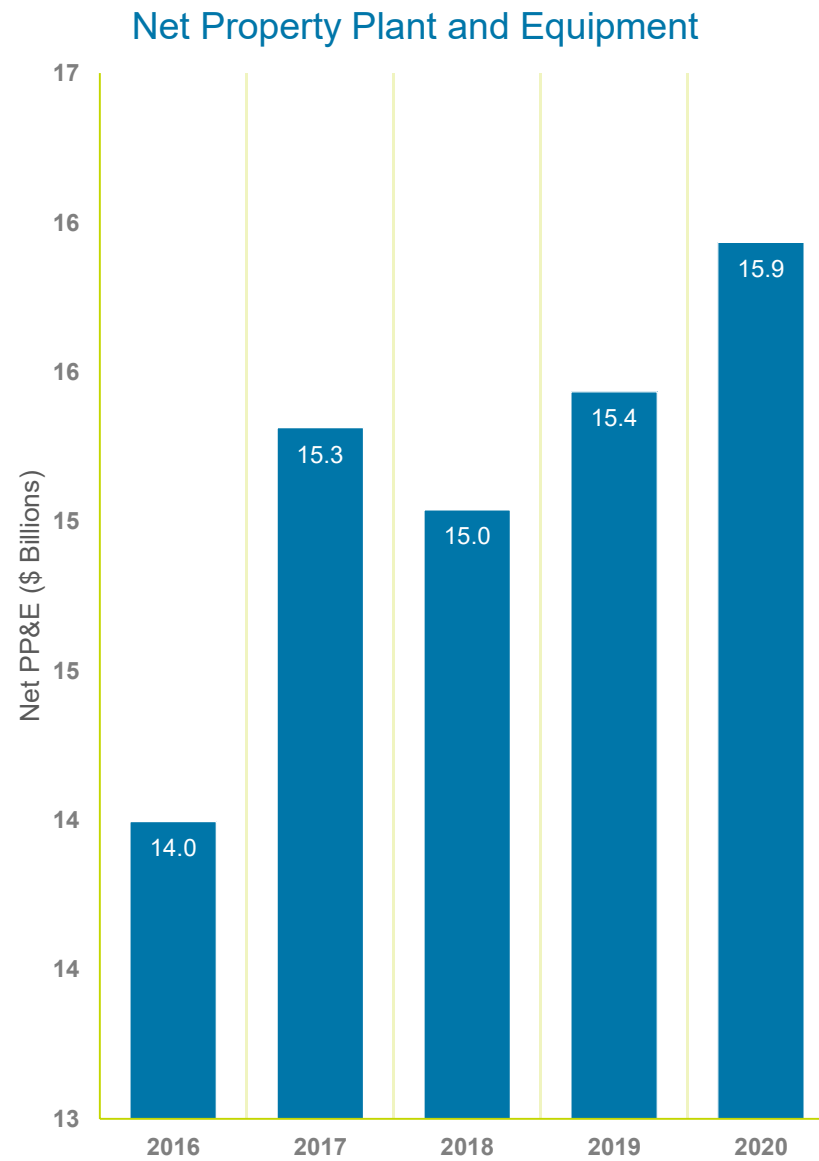
Share Capital & Retained Earnings	10,017,630,277	20,481,128	10,038,111,405
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Liabilities & Shareholders' Equity

25,236,802,595	77,020,962	25,313,823,557
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Long-Term Debt & Equity

Net Property Plant and Equipment by
Distributor



**Income Statement
For the Year Ended
December 31**
Revenues

Operating Revenues

Other Income

Expenses

Gas Cost, Operating and Maintenance

Depreciation

Interest

Income Before Income Taxes

Income Taxes

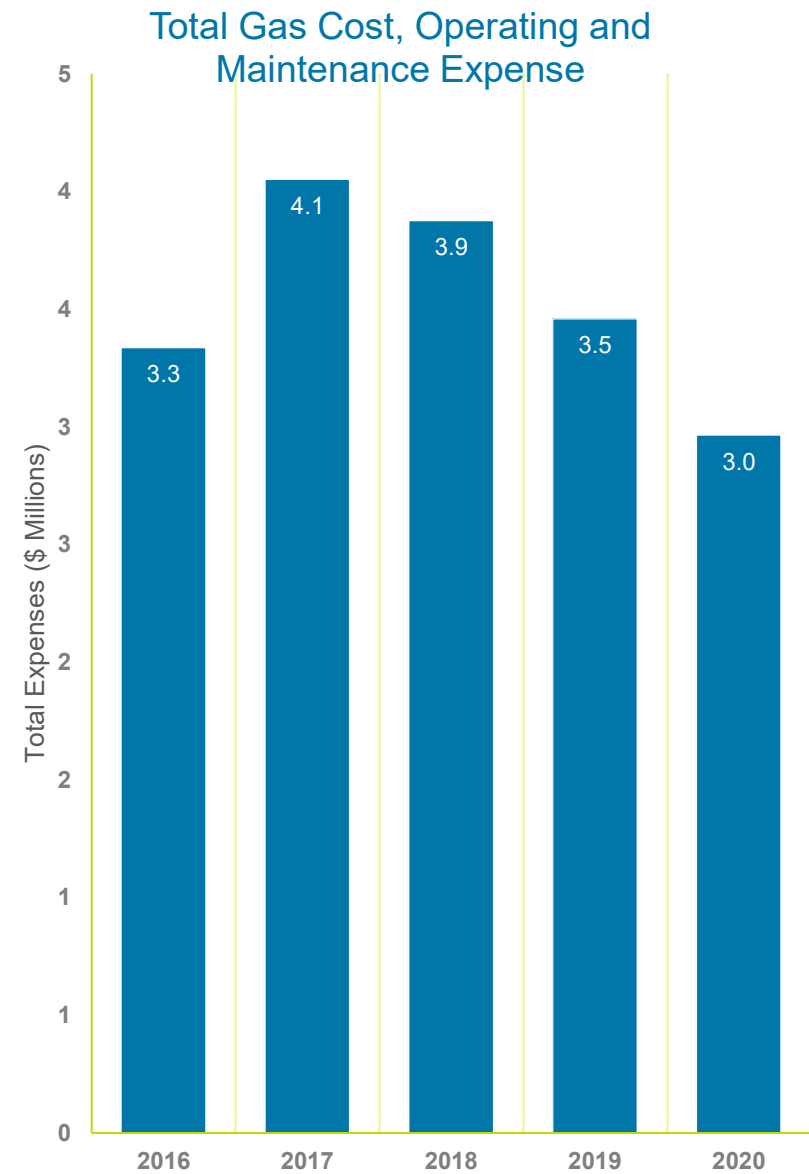
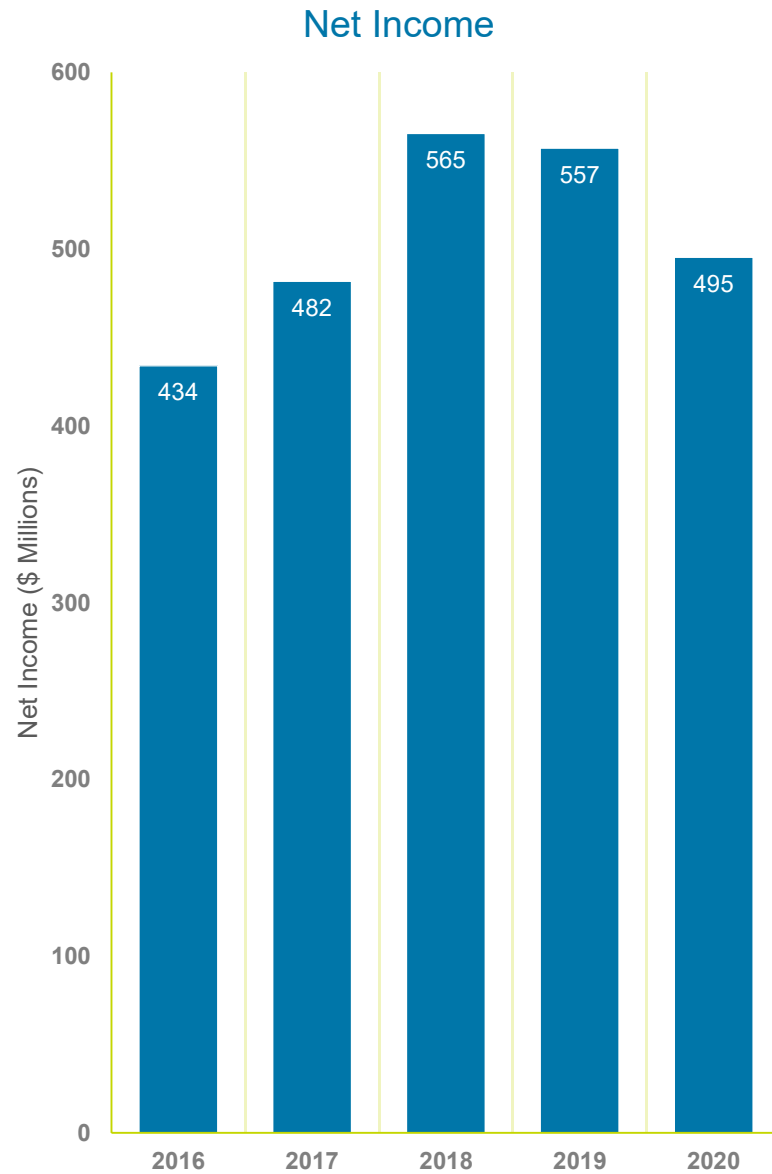
Net Income After Taxes

Extraordinary Items

Net Income (Loss)

	Enbridge Gas	EPCOR Natural Gas	Industry
	\$	\$	\$
Operating Revenues	4,514,686,754	12,226,602	4,526,913,356
Other Income	61,356,136	420,325	61,776,461
	4,576,042,890	12,646,926	4,588,689,816
Gas Cost, Operating and Maintenance	2,952,106,600	12,424,466	2,964,531,066
Depreciation	655,473,333	1,481,865	656,955,198
Interest	413,417,485	854,835	414,272,320
	4,020,997,418	14,761,166	4,035,758,584
Income Before Income Taxes	555,045,472	(2,114,240)	552,931,232
Income Taxes	57,703,107	-	57,703,107
Net Income After Taxes	497,342,365	(2,114,240)	495,228,125
Extraordinary Items	-	-	-
Net Income (Loss)	497,342,365	(2,114,240)	495,228,125

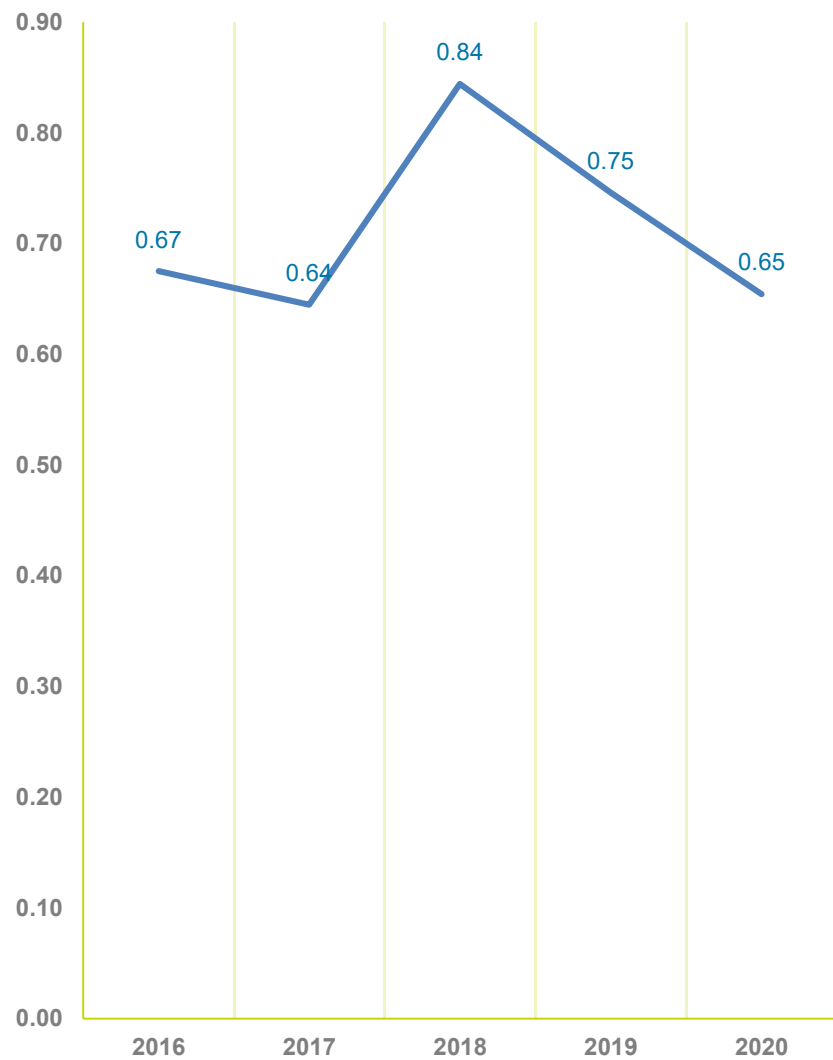
Note: Reported results include certain non-utility activities that are not regulated by the Ontario Energy Board.



Financial Ratios	Enbridge Gas	EPCOR Natural Gas	Industry
Liquidity Ratios			
Current Ratio (Current Assets/Current Liabilities)	0.66	0.28	0.65
Leverage Ratios			
Debt Ratio (Total Debt/Total Assets)	0.40	0.49	0.40
Debt to Equity Ratio (Total Debt/Shareholders' Equity)	1.01	1.84	1.01
Interest Coverage (EBIT/Interest Charges)	2.34	(1.47)	2.33
Profitability Ratios			
Financial Statement Return on Assets (Net Income/Total Assets)	1.97%	-2.75%	1.96%
Financial Statement Return on Equity (Net Income/Shareholders' Equity)	4.96%	-10.32%	4.93%

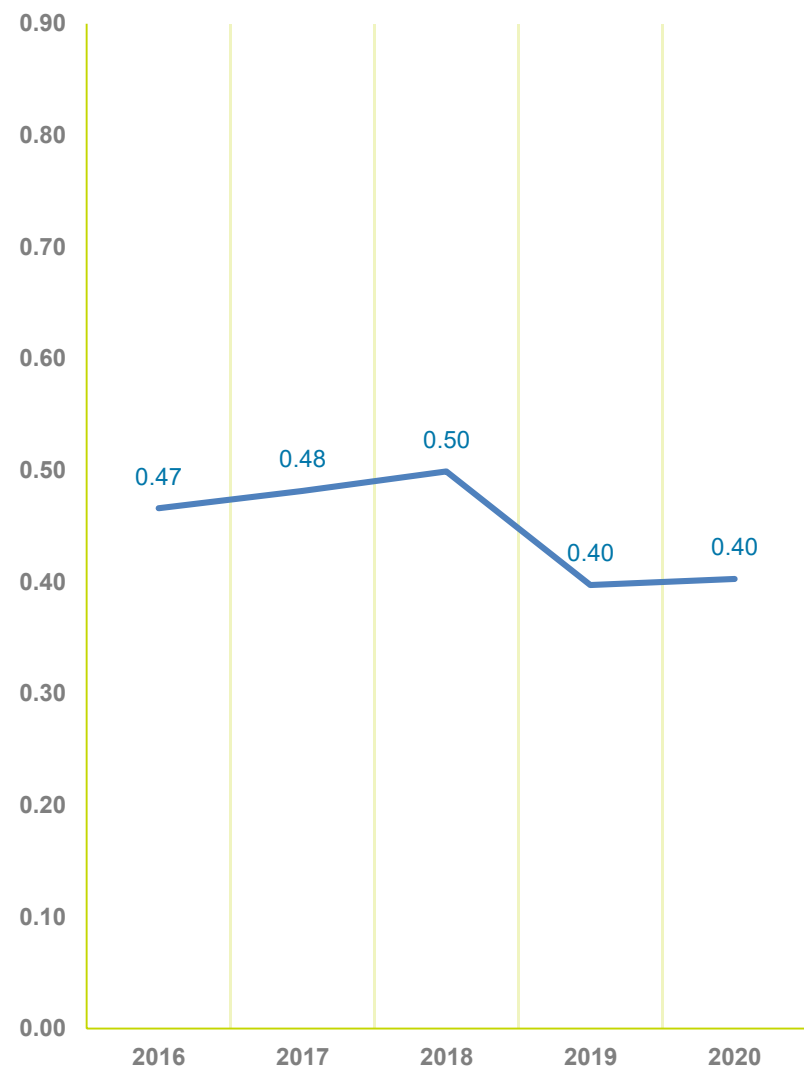
Current Ratio

(Current Assets/Current Liabilities)



Debt Ratio

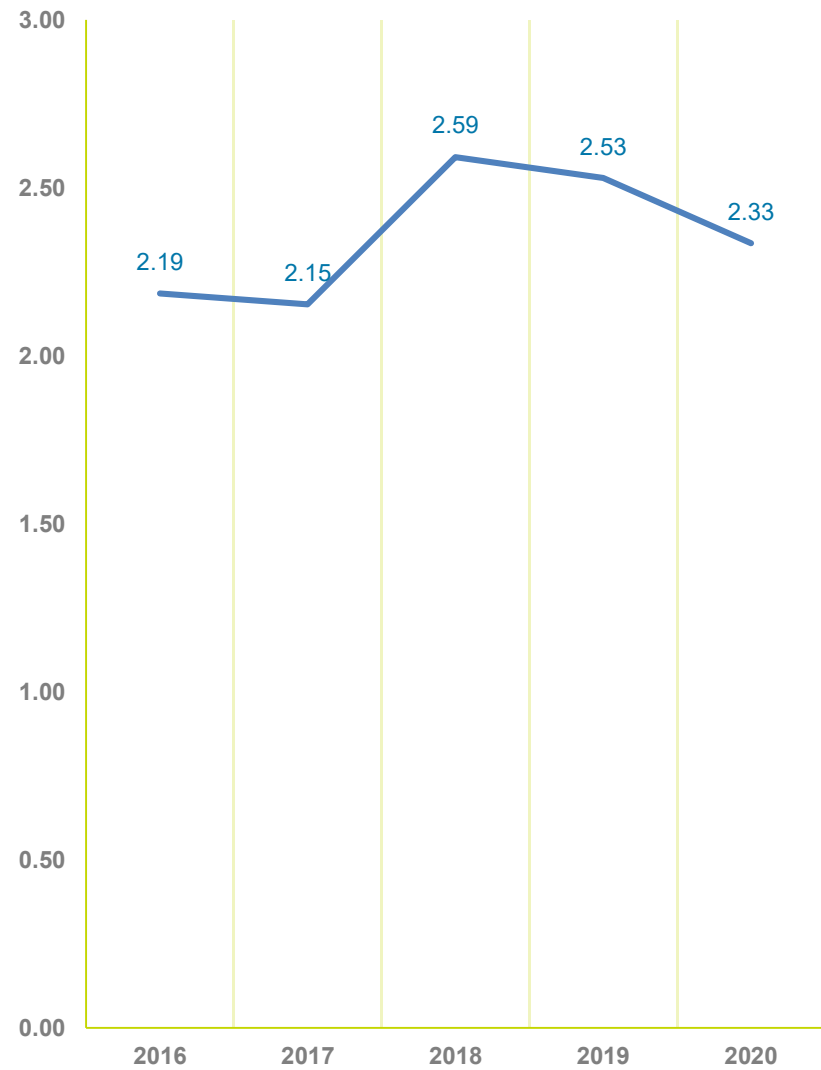
(Total Debt/Total Assets)



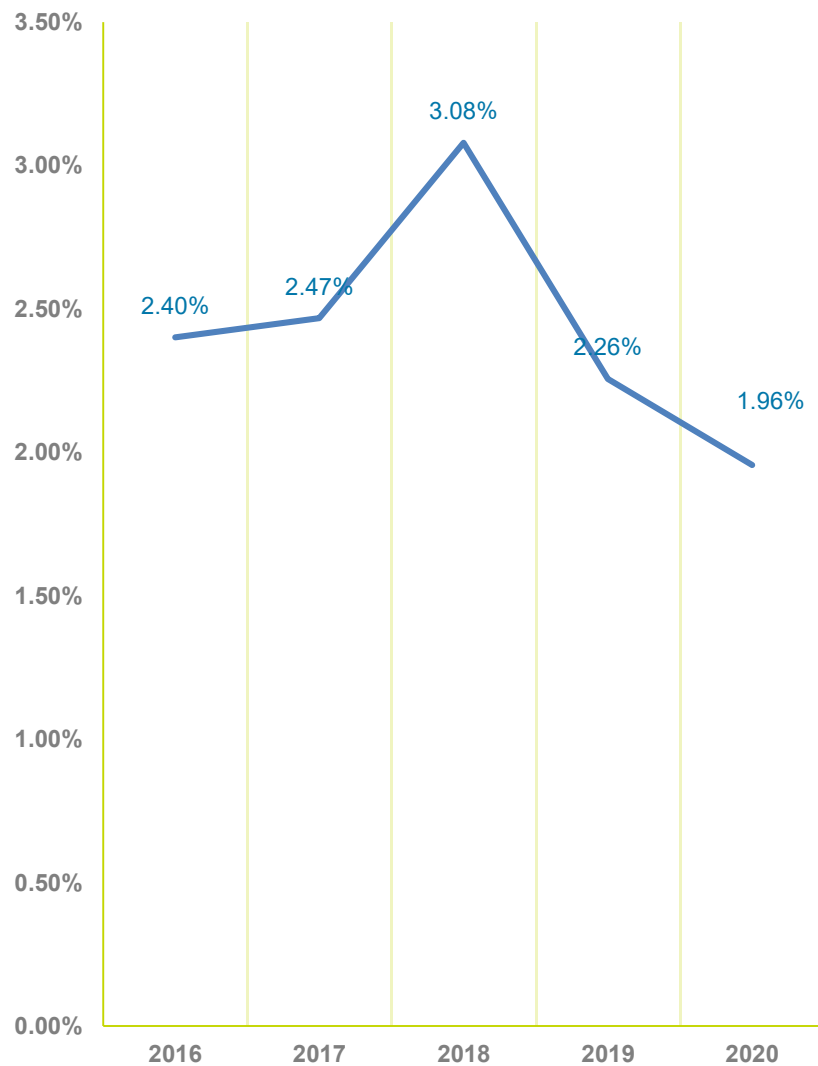
Debt to Equity Ratio
(Total Debt/Equity)



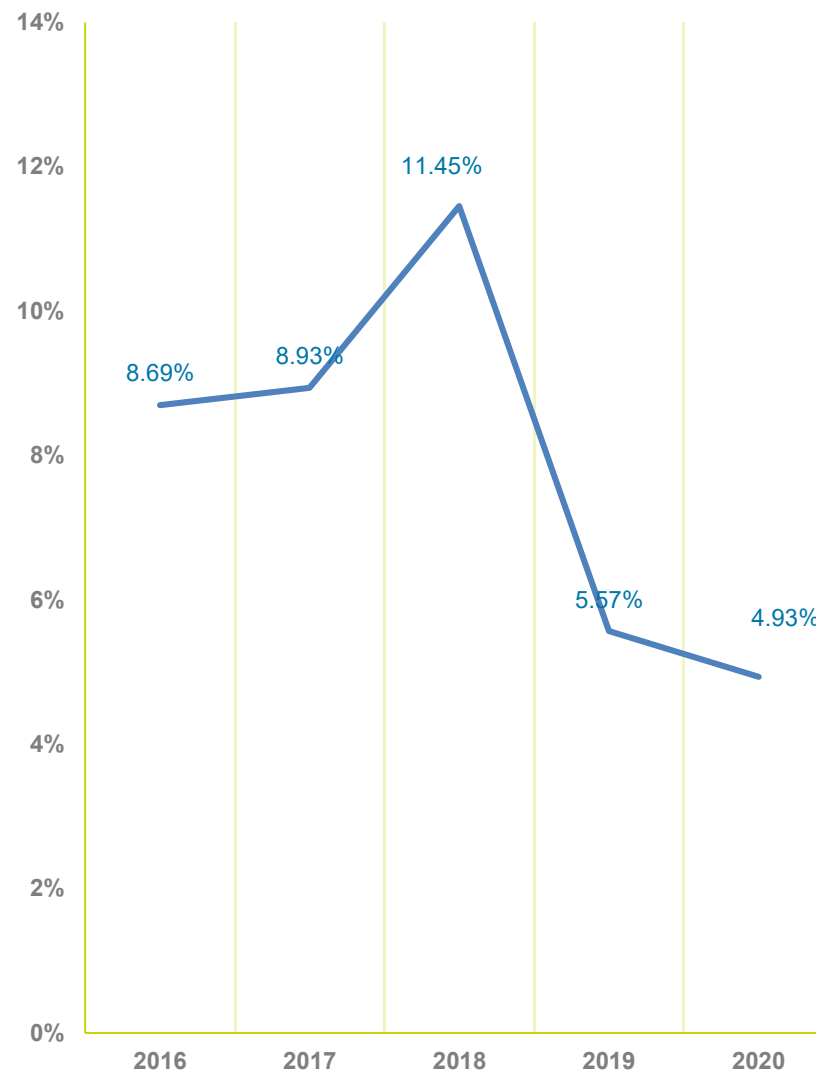
Interest Coverage
(EBIT/Interest Charges)



Financial Statement Return on Assets
(Net Income/Total Assets)



Financial Statement Return on Equity
(Net Income/Shareholders' Equity)



General Customer Information**Total Number of Customers ¹****For the Year Ended December 31**

	Enbridge Gas	EPCOR Natural Gas	Industry
Residential	3,712,666	9,493	3,722,159
Non-Residential	18,535	153	18,688
	3,731,201	9,646	3,740,847

¹ Total number of customers include system gas customers who purchase gas supply from their utility and direct purchase customers of marketers licensed by the OEB.

Total Volumes ²**In million cubic meters**

	Enbridge Gas	EPCOR Natural Gas	Industry
Residential	7,959	24	7,983
Non-Residential	17,012	69	17,081
	24,971	93	25,065

² Annual gas volumes include quantities of gas sold to system gas customers and quantities of gas delivered to direct purchase customers.

General Customer Information**System Gas Customers ¹****For the Year Ended December 31**

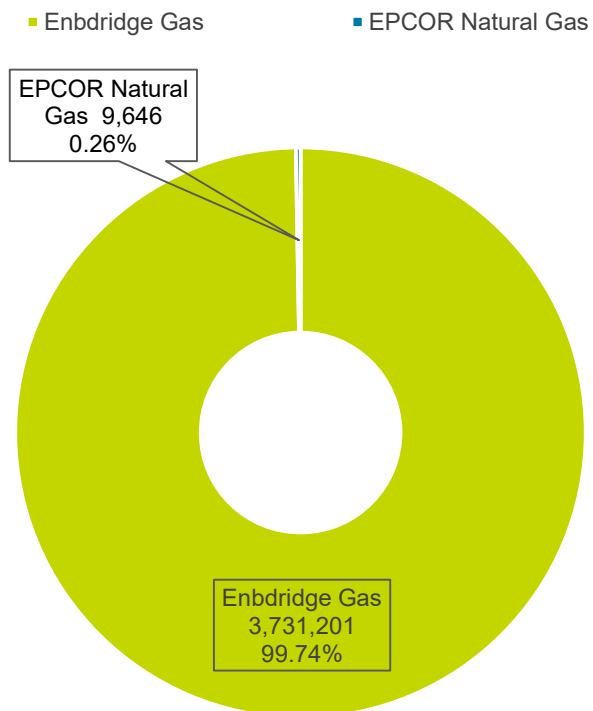
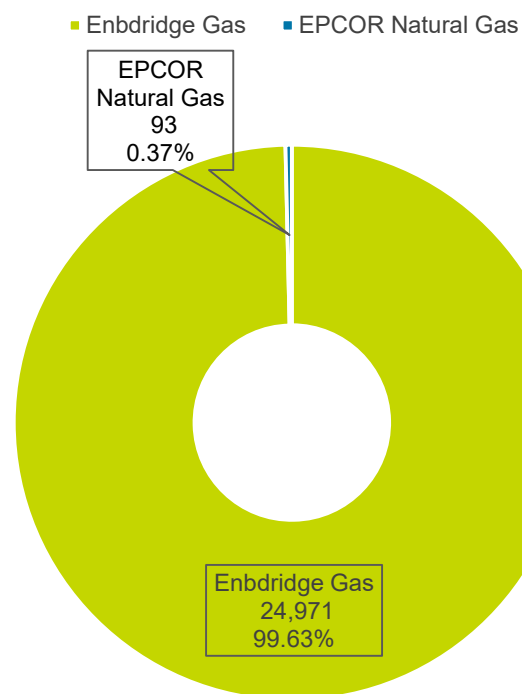
	Enbridge Gas	EPCOR Natural Gas	Industry
Low Volume	3,657,838	9,540	3,667,378
Large Volume	15,296	10	15,306

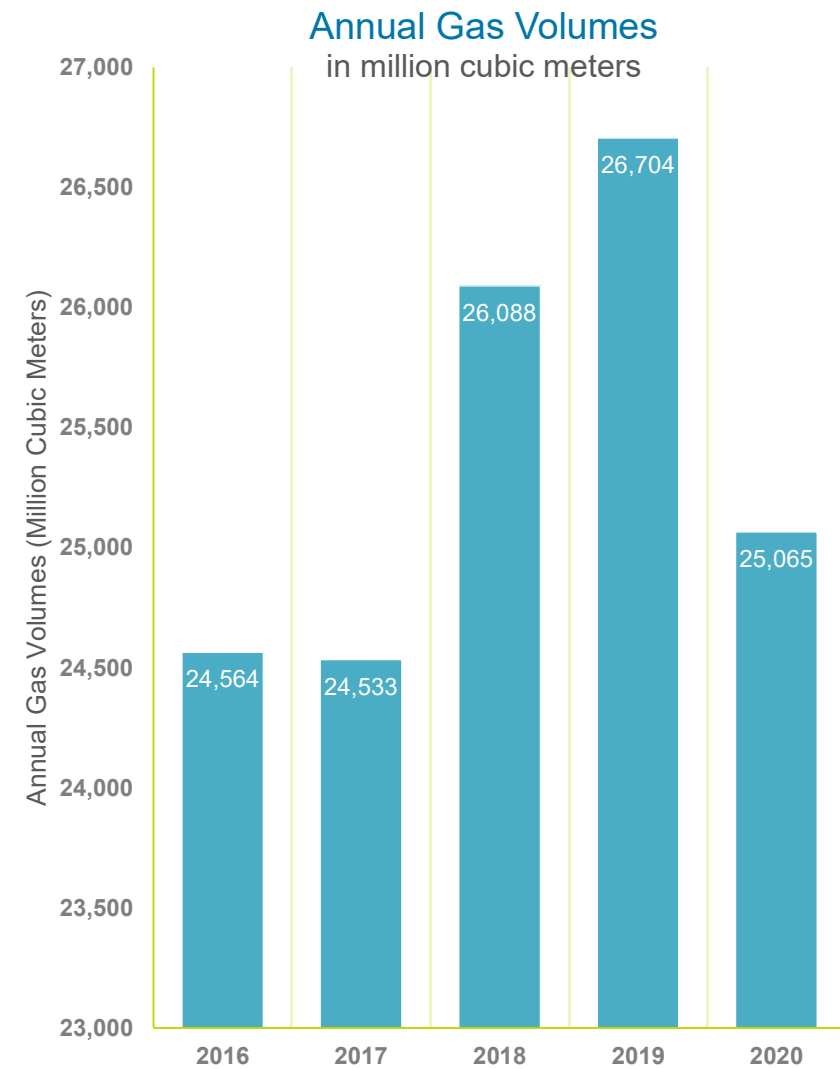
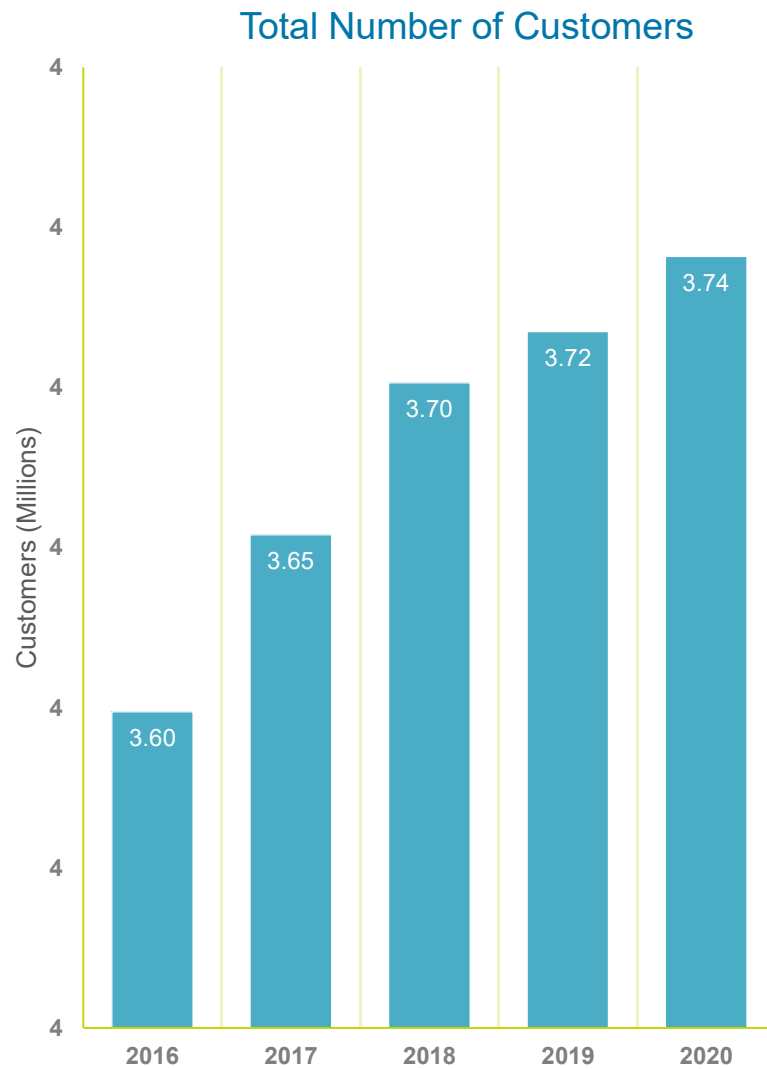
¹ System Gas Customers (subset of Total Customers) refer to customers who purchase gas supply from their utility.

Low Volume Customer - Less than 50,000 cubic meters/year.

Large Volume Customer - Greater than 50,000 cubic meters/year.

Number of Customers

Gas Volumes
in million cubic meters



Service Quality Requirements

Metric	Enbridge Gas	EPCOR Natural Gas
Call Answering Service Level (OEB Minimum Standard: 75%)	75.20%	96.00%
Number of Calls Abandon Rate (OEB Standard: not exceed 10%)	5.40%	4.00%
Meter Reading Performance (OEB Standard: not exceed 0.5%)	4.40%	0.00%
Appointments Met within Designated Time Period (OEB Minimum Standard: 85%)	98.80%	99.50%
Time to Reschedule Missed Appointments (OEB Standard: 100%)	97.30%	100.00%
Emergency Calls Responded within One Hour (OEB Minimum Standard: 90%)	96.70%	97.50%
Number of Days to Provide a Written Response (OEB Minimum Standard: 80%)	100.00%	100.00%
Number of Days to Reconnect a Customer (OEB Minimum Standard: 85%)	98.90%	0.00%

Cross-Reference to Uniform System of Accounts for Gas Utilities

		Financial Statement Line Items	Related Uniform System of Accounts (RRR 2.1.7)
Balance Sheet		Cash	Accounts 130-131 if debit balance
		Accounts Receivable - Net	Accounts 132+140-147
		Gas Inventories	Accounts 152+153
		Other Current Assets	Accounts 150+151+160-163 + 256 if debit balance
		Property, Plant & Equipment	Accounts 100-116
		Long Term Investments	Accounts 120-123
		Deferred Charges	Accounts 170-179
		Other Non-Current Assets	Accounts 180-183 + 276 if debit balance
		Bank Overdraft, Loans and Notes Payable	Accounts 130-131 if credit balance + 250
		Accounts Payable & Accrued Liabilities	Accounts 251+252+254+259
		Other Current Liabilities	Accounts 253+255+257+260+263
		Income Taxes Payable	Account 256 if credit balance
		Current Portion of Long-term Loan	Accounts 258+262
		Long-term Debt	Accounts 220-249
		Total Debt	Accounts 130-131 if credit balance + 220-249 + 250 + 258 + 262
		Deferred Income Taxes	Account 276 if credit balance
		Other Non-Current Liabilities	Accounts 270+271+278+279+290
		Share Capital Retained Earnings	Accounts 200-216
Income Statement		Operating Revenues	Account 300
		Other Income	Accounts 307+308+310+312-316+319+324+325+333
		Gas Cost, Operating and Maintenance Expenses	Accounts 301+302+305+311+321+326-331
		Depreciation Expense	Accounts 303+304
		Interest Expense	Accounts 320+322+323
		Income Taxes (Current and Deferred)	Account 306
		Extraordinary Items	Accounts 338-339

Glossary of Terms | Service Quality Requirements

Call Answering Service Level is the percentage of calls to the general inquiry phone number, including IVR calls, that are answered within 30 seconds. Must be met 75% of the time.

Calls Abandon Rate is the percentage of callers that hang up before they reach a live operator. Must be less than 10%.

Meter Reading Performance is the percentage of meters with no read for four consecutive months. Must be less than 0.5%.

Appointments Met Within the Designated Time Period is the percentage of appointments, including meter related or other customer related work, that are met within their 4 hour scheduled time/date as arranged with the customer. Must be met 85% of the time.

Time to Reschedule a Missed Appointment is the percentage of missed appointments that the customer is contacted within 2 hours of the end of the original appointment time to reschedule the appointment. Must be met 100% of the time.

Emergency Calls Responded to Within One Hour is the percentage of customers that received an on-site response within 60 minutes of their emergency call reaching a live person. Must be met 90% of the time.

Number of Days to Provide a Written Response is the percentage of customers that receive a written response within 10 days of the distributor receiving the complaint. Must be met 80% of the time.

Number of Days to Reconnect a Customer is the percentage of customers that are reconnected within 2 business days of bringing their accounts into good standing. Must be met 85% of the time.