

Tuesday, March 03, 2009

VIA COURIER & EMAIL

Ontario Energy Board
2300 Yonge Street
Suite 2601
Toronto, Ontario
M4P 1E4

Attention: Ms. Kristen Walli, Board Secretary

Dear Sirs:

RE: EB-2009-0062

Please find attached two copies of an Application and Pre-filed Evidence for an order to change the gas rates from those authorized in EB-2008-0377.

In order to provide NRG with the necessary lead-time to make the necessary system changes and print the customer notices, it requests that the Board make its decision on this matter by March 20, 2009. We also enclose one copy of the application on disk. The application has also been sent via email.

If you require any further information regarding this application, please do not hesitate to contact us.

Yours truly,

Natural Resource Gas Limited

Per: Mark Bristoll
President

Enclosure

c.c. Mr. Randy Aiken
All interveners in RP-2005-0544

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board
Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by
Natural Resource Gas Limited for an order or orders
approving or fixing just and reasonable rates and
other charges for the sale, distribution, transmission
and storage of gas as of April 1, 2009;

AND IN THE MATTER OF the Quarterly Rate
Adjustment Mechanism.

APPLICATION

1. As part of the EB-2008-0377 Decision and Order dated December 29, 2008 the Board approved a PGCVA reference price of \$0.347919 per m³ and a gas supply charge of \$0.359292 per m³, both effective January 1, 2009.
2. Based on actual and forecast natural gas prices for the April, 2008 through March, 2009 period the PGCVA balance is projected to be a debit of approximately \$11 per residential customer. If unadjusted, the projected PGCVA balance at the end of March, 2010 would be a credit of approximately \$66 per residential customer.
3. The PGTVA balance is projected to have a credit balance of approximately \$10 per residential customer over this period. NRG is not requesting any change to the PGTVA reference price in this proceeding. The actual PGTVA balance at the end of Fiscal 2009 will be disposed of through a separate application.
4. NRG hereby applies to the Board for further orders effective April 1, 2009 as follows:
 - a) an order changing the reference price authorized by the Board's EB-2008-0377 rate order for use in determining the amounts to be recorded in the

Purchased Gas Commodity Variance Account (Account No. 179-27) by \$0.032588 per m³ from the Board approved level of \$0.347919 per m³ to \$0.315331 per m³;

- b) an order changing the rates and other charges from those authorized by the Board's EB-2008-0377 rate order to reflect a projected \$0.045354 per m³ change in the gas supply charge from the Board approved level of \$0.359292 m³ to a projected cost of \$0.313938 per m³. This change is the sum of the change in the PGCVA reference price and the change required to prospectively clear the balance of the GPRA.

6. This application will be supported by written evidence that will be pre-filed with the Board and intervenors of record in EB-2005-0544.

7. The address of service for Natural Resource Gas Limited is:

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Natural Resource Gas Limited
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And

Mr. Randy Aiken
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Chatham, Ontario, N7L 4J6

Telephone: (519) 351-8624
Fax: (519) 351-4331

Dated at Aylmer, Ontario, this 2nd day of March, 2009.

NATURAL RESOURCE GAS LIMITED

Mark Bristoll
Chairman

NATURAL RESOURCE GAS LIMITED

INTRODUCTION

As part of the EB-2008-0377 Decision and Order dated December 29, 2008 the Board approved a PGCVA reference price of \$0.347919 per m³ and a gas supply charge of \$0.359292 per m³, both effective January 1, 2009.

In EB-2005-0544 (Decision with Reasons dated September 20, 2006), the Board approved a Purchased Gas Transportation Variance Account ("PGTVA") reference price of \$0.019029 per m³, effective October 1, 2006.

In RP-2002-0147/EB-2003-0286 (Accounting Order dated January 30, 2004), the Board approved a Gas Purchase Rebalancing Account ("GPRA") to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in NRG's PGCVA reference price. In EB-2008-0377, the Board approved a GPRA rate of \$0.009545 per m³.

NRG is proposing to adjust the gas supply charge, the GPRA rate and the PGCVA reference price effective April 1, 2009 to reflect an updated forecast of gas costs, the projected balance in the PGCVA and the projected balance in the GPRA.

NRG is not proposing any change to the PGTVA reference price as part of this proceeding.

PGCVA

Updated Forecasts

The purpose of this evidence is to provide the projected PGCVA account balance for the twelve-month period ending March, 2009 and for the twelve-month period ending March, 2010. Based on actual and forecast costs, the PGCVA account balance totals a debit of \$11.03 per residential customer for the twelve month period ending March, 2009

March, 2009

1 (Schedule 2). This debit, in the absence of a change in the PGCVA reference price,
2 would become a credit of \$66.20 per residential customer by the end of March, 2010
3 (Schedule 5).

4
5 The current forecast reflects the forecast for natural gas prices over the relevant period.
6 These gas prices reflect current market conditions, including alternative energy prices,
7 demand for natural gas, the weather outlook and the impact of current storage levels.

8
9 The PGCVA balance has been calculated using the most recent information available,
10 including actual volumes and costs through January, 2009. The remaining months in the
11 twelve-month period ending March, 2009 are calculated using estimated prices based on
12 the best information available at the time of filing. Forecast prices have been used for the
13 period April, 2009 through March, 2010 period, except where actual contracted prices are
14 available.

15
16 The gas supply portfolio reflects the current and forecasted mix of delivery points utilized
17 by NRG for system gas purchases.

18
19 Gas Supply Portfolio

20 NRG's gas supply portfolio includes local production, deliveries of Western Canadian
21 gas at the Alberta border and purchases at Parkway on the Union Gas ("Union") system.
22 When required, NRG also purchases additional gas in February and/or September. The
23 requirement for these purchases is discussed below. This gas may be Ontario Delivered
24 gas or additional deliveries at Parkway or at the Alberta border.

25
26 NRG is required to balance its total supply with its total demand on the Union Gas
27 system on an annual basis, at the time that the direct purchase contract with Union Gas is
28 renewed. This may entail NRG purchasing gas or shedding excess gas.

NRG is a direct purchase customer on the Union Gas system. Under its bundled transportation contract, NRG is obligated to deliver a fixed amount of gas each day to Union. This amount is determined by Union and is based on the expected annual volume divided by 365.

Additional gas may be purchased in February of each year if required for NRG to meet its forecast banked gas account winter balancing checkpoint on the Union Gas system at the end of February if consumption is greater than forecast. The Board approved this requirement for Bundled-T customers on Union's system in RP-2003-0063 (Decisions with Reasons, dated March 18, 2004). As a result of the colder than normal weather experienced this winter, NRG was required by Union to bring in additional supplies in February, 2009.

NRG is currently required to deliver 1,500 GJ/day to Union Gas. Of this amount, NRG has assigned a total of 180 GJ/day to its direct purchase customers, leaving 1,320 GJ/day for system gas customers. The composition of this 1,320 GJ/day is 581 GJ/day at AECO and 739 GJ/day at Parkway. NRG has and will be delivering an additional 29 GJ/day in December, 2008 through March, 2009 at AECO. NRG purchased 600 GJ/day of Ontario delivered gas in January, 2009. In addition, NRG purchased an additional 2,101 GJ/day at Parkway in February, 2009. These additional deliveries will help ensure NRG remains onside with its balancing requirements on the Union Gas system. Total system deliveries will return to the 1,500 GJ/day level in April 2009.

The composition of the gas deliveries for direct purchase and system gas customers is shown in the following table.

GJ/s per Day

Delivery Point	Feb., 2009	March, 2009	Apr, 2009
Direct Purchase	180	180	180
AECO	610	610	581
Parkway	2,150	739	739
Dawn	<u>0</u>	<u>0</u>	<u>0</u>
Total	2,940	1,529	1,500

1
2 In addition to the obligated deliveries described above, NRG purchases gas from local
3 producers in its franchise area.

4
5 As indicated previously, NRG is required to balance its supply with its demand on the
6 Union system to within +/- 4% at the end of the contract year under its bundled
7 transportation contract with Union. The bundled transportation contract year-end
8 corresponds with the end of NRG's fiscal year (September 30). NRG purchases
9 additional balancing gas or sells gas and/or reduces deliveries such that total demand on
10 the Union system is offset by the supply provided to Union Gas to remain within the
11 contract parameters.

12
13 As noted above and shown in Schedule 3, NRG has increased its overall deliveries to
14 Union Gas in November, 2008 through March, 2009 to remain onside with its February
15 checkpoint on the Union gas system.

16
17 The composition of the gas supply portfolio volumes for the April, 2008 through March,
18 2009 period is shown on the top of Schedule 3. This schedule shows the monthly volume
19 of gas purchased or forecast to be purchased from local producers, obligated deliveries at
20 Dawn, Parkway and the Alberta border (Western), and balancing gas (Ontario Delivered).
21 Similarly, the composition of the gas supply portfolio volumes for the April, 2009
22 through March, 2010 period is shown on the top of Schedule 6.

23
24 Gas Costs

25 NRG's actual and forecast gas costs for the April, 2008 through March, 2009 period, by
26 source of supply, are shown in Schedule 4 in \$/GJ. These prices are also shown in the
27 middle section of Schedule 3 in \$/m³. The conversion factor used is based on the heat
28 values used by Union Gas in their calculation of NRG's Banked Gas Account balances.
29 The conversion factors used are also shown in Schedule 4. All prices shown are actual

1 prices paid in April, 2008 through January, 2009. Prices for the remaining months in this
2 period are based on estimated and contracted prices to be paid in these months.

3
4 Prices for April, 2009 through March, 2010 are based on prices averaged over 10 days in
5 the period February 9, 2009 through February 23, 2008. These prices have been utilized
6 in calculating the prices shown in Schedule 7 in \$/GJ and in the middle section of
7 Schedule 6 in \$/m³. Gas prices for each of the sources of supply are described below. In
8 addition to the above, contracted prices have been used where purchase decisions have
9 been made.

10
11 The first source of supply noted in Schedules 4 and 7 is "Local Production (A)". This
12 refers to gas that is produced in NRG's franchise area and purchased from a related
13 company. This gas has been contracted for through October, 2009 at a fixed price of
14 \$0.3012/m³ (Schedule 6). The forecast price of \$8.030/GJ shown in Schedule 7 for the
15 November, 2009 through March, 2010 period is the forecast price for Dawn gas in these
16 months.

17
18 The second source of local production is noted as "Local Production (B)" in Schedules 4
19 and 7. The price paid for this gas is for Dawn delivery. NRG is not forecasting the
20 purchase of any gas from this source in the April, 2009 through March, 2010 period.

21
22 NRG also purchases gas for delivery at Parkway and Empress. The pricing of this gas at
23 these delivery points is discussed below.

24
25 The Empress price over the April, 2009 through March, 2010 period shown in Schedule 7
26 (Western Deliveries) is based on a combination of forecast prices and actual contracted
27 prices. The average Empress delivery rate forecast is \$6.5005/GJ in April through
28 October and \$8.156/GJ in November through March. Fuel costs of 4% are included in
29 these rates.

1 The average Empress delivery rate includes fixed price contracts over this period. The
2 first fixed price contract is for 465 GJ per day at a price of \$6.600/GJ (plus fuel) over the
3 April through October period. The second is for 465 GJ per day at a price of \$8.170/GJ
4 (plus fuel) over the November through March period. An additional 116 GJ/day of gas is
5 forecast to be purchased over the April through March period at a price of \$4.847/GJ in
6 the summer (April through October) and at a price of \$6.529/GJ in the winter
7 (November through March). These prices are based on the April 2009 through October
8 2009 summer strip average price forecasts from the February 9, 2009 through February
9 23, 2009 period and on the winter strip average price forecasts from the same period.

10
11 The Parkway price over the April, 2009 through March, 2010 period is also based on a
12 combination of actual contracted prices and forecast prices over this period. In particular,
13 NRG has contracted for 590 GJ/day at a price of \$7.680/GJ over the April through
14 October summer period and a price of \$9.970/GJ over the November through March
15 winter period. The remaining Parkway deliveries over the April, 2009 through March,
16 2010 period of 149 GJ/day have not been contracted for at this time. The forecasted price
17 for this period is \$6.133/GJ in the summer months and \$8.347/GJ in the winter months.
18 These forecast prices are based on the price information for the February 9, 2009 through
19 February 23, 2009 period.

20
21 NRG is not forecasting the purchase or sale of any delivered gas in September, 2009 for
22 balancing purposes.

23 24 Other Forecast Assumptions

25 A number of other assumptions have been used to calculate the projected balance in the
26 PGCVA. As shown on Schedules 4 and 7, the fuel ratio for Western deliveries has been
27 forecast at 4.0%. This ratio has been reflected in the forecast prices shown in the
28 schedules for western deliveries.

1 TCPL tolls have been forecast at a rate of \$1.19000/GJ. This rate came into effect
2 January 1, 2009 and reflect the current tolls approved on an interim basis by the National
3 Energy Board.

4
5 PGCVA Balance

6 The projected March, 2009 balance in the PGCVA is a debit of \$115,101.50, including a
7 debit of \$43,509.38 in accumulated interest, based on the Board approved short term
8 interest rate. This estimate is based on actual and forecasted purchases and the balance
9 brought forward from March, 2008. The PGCVA debit amounts to a charge of
10 approximately \$11.03 for a typical residential customer consuming approximately 1,955
11 m³ per year. These figures are shown on Schedule 2. The interest rate used is that
12 prescribed by the Board.

13
14 Proposed PGCVA Rate Changes

15 Schedule 5 shows the impact at the end of the twelve-month period beginning April,
16 2009 if no change is made to the reference price. At the end of March, 2010, the balance
17 in the PGCVA is a credit balance of \$642,013.35, including a debit balance of
18 \$37,185.54 in accumulated interest. This represents a rebate of \$66.20 for a residential
19 customer consuming approximately 2,000 m³ per year.

20
21 NRG proposes to adjust the reference price effective April 1, 2009 based on the projected
22 accumulated balance in the PGCVA as of the end of March, 2009 and the forecasted cost
23 of gas over the 12 month period beginning April, 2009 and ending March, 2010. The
24 reference price will be set such that the projected PGCVA balance at the end of March,
25 2010 would be close to zero.

26
27 NRG's proposal will clear the PGCVA balance on a prospective basis, eliminating the
28 need for retroactive adjustments. This is consistent with NRG's past proposals in QRAM
29 applications, which were accepted by the Board. In those proceedings, NRG indicated
30 that its customers had made clear their opinion on retroactive adjustments. A large

percentage of NRG's gas sales volumes are agriculturally based and these customers cannot recover any retroactive charges. The proposal contained in this application is designed to minimize, and eliminate where possible, the existence of further retroactive billing adjustments.

NRG proposes to change the reference price by \$0.032588 per m³ effective April 1, 2009, from \$0.347919 per m³ to \$0.315331 per m³. The derivation of this rate is shown in Schedule 8. This is the reference price required to bring the PGCVA balance close to zero on a twelve month forecast basis. This change will also be reflected in the gas commodity charge.

GAS PURCHASE REBALANCING ACCOUNT

The impact on the GPRA of the proposed April 1, 2009 change in the PGCVA reference price from \$0.347919 per m³ to \$0.315331 per m³ is a credit of \$155,696.54, as shown on Schedule 9. This figure is shown in column (J) of Schedule 9 and on the March, 2009 line. It is calculated as the change in the PGCVA reference price between April and March, multiplied by the cumulative inventory balance at the end of March. This cumulative inventory balance is the sum of the actual monthly inventory balances for January, 2009 and forecasts for the subsequent months. These forecasts will be replaced with actual balances for these months in subsequent QRAM applications as this information becomes available. As well, the monthly inventory balances are based on a deemed level of unaccounted for gas ("UFG") of the total throughput volume, as shown in column (E) of Schedule 9. The 0.0% is the Board approved level of UFG from EB-2005-0544.

NRG proposes to adjust the gas commodity charge effective April 1, 2009 based on the projected accumulated balance in the GPRA. The adjustment to the gas commodity charge will be set such that the projected GPRA balance at the end of March, 2010, would be close to zero. The rate required to achieve this is shown in column (K) on

Schedule 9. Column (P) shows the reduction of the inventory revaluation debit based on this rate of \$(0.003221) per m³ over the April, 2009 through March, 2010 period.

NRG's proposal will clear the GPRA balance on a prospective basis, eliminating the need for retroactive adjustments. This is consistent with NRG's proposal for the continued prospective clearance of the PGCVA and is made with the same reasons in mind as outlined above for the PGCVA. This change will also be reflected in the gas commodity charge.

GAS COMMODITY CHARGE

The system gas supply cost of \$0.001828 per m³ will be maintained. This figure represents the functionalization of additional costs over and above the commodity and transportation costs that form the PGCVA reference price to the gas supply function. These additional costs are portions of the wages and benefits, management fee, return on rate base (working cash) and income taxes. This functionalization is unchanged from that approved in EB-2005-0544.

The change in the gas commodity charge proposed for April 1, 2009 is summarized below. The change in the gas commodity charge reflects both the change in the PGCVA reference price and the change in the recovery of the inventory revaluation amount in the GPRA. The change in the gas commodity charge is as follows:

	EB-2008-0377 Jan. 1, 2008	Proposed April 1, 2009	Difference
PGCVA Reference Price	\$0.347919	\$0.315331	\$(0.032588)
GPRA Recovery	\$0.009545	\$(0.003221)	\$(0.012766)
System Gas Supply Cost	<u>\$0.001828</u>	<u>\$0.001828</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.359292	\$0.313938	\$(0.045354)

PGTVA

PGTVA Balance

Based on the current reference price of \$0.019029 per m³, the projected March, 2009 balance in the PGTVA is a credit of \$201,853.10 including a credit of \$954.30 in accumulated interest, based on the Board approved short term interest rate. This estimate is based on actual and forecasted costs over this period and assumes disposition of the balance at the end of September, 2008 through a separate proceeding (EB-2009-0020) which will be filed at a later date. The PGTVA credit amounts to a rebate of approximately \$10.14 for a typical residential customer consuming approximately 1,955 m³ per year. These figures are shown on Schedule 10.

Schedule 11 shows the impact at the end of the twelve-month period beginning April, 2009 based on the reference price of \$0.019029 per m³. At the end of March, 2010 the balance in the PGTVA is a credit balance of \$180,408.72, including a credit balance of \$802.79 in accumulated interest. This represents a rebate of \$6.86 for a residential customer consuming approximately 2,000 m³ per year. This balance also assumes that the balance in the account at the end of NRG's fiscal 2009 year would be disposed of through a separate proceeding.

The balance in the PGTVA forms part of the distribution delivery rate charged by NRG and, as such, is not impacted by changes in gas costs. NRG is not proposing to change the PGTVA reference price as part of this gas cost proceeding. NRG plans to dispose of the actual balance in the PGTVA at the end of September, 2008 based on final fiscal year delivery volumes by way of a one-time rebate to customers based on their actual consumption in fiscal 2008. The same approach would be taken related to the fiscal 2009 balance in this account. This is the same approach as approved by the Board in EB-2008-0051 for the actual balance in the PGTVA at the end of September, 2007. NRG expects to file a separate application to clear this balance when the fiscal 2008 figures have been finalized.

1

2 **SUMMARY**

3 In summary, NRG proposes to change the reference price for amounts to be recorded in
4 the Purchased Gas Commodity Variance Account from \$0.347919 by \$0.032588 to
5 \$0.315331 per m³ effective April 1, 2009. This change is shown in Appendix B.

6

7 NRG also proposes to change the gas supply charge from \$0.359292 to \$0.313938 per m³
8 effective April 1, 2009. This change reflects the change of \$0.032588 per m³ related to
9 the change in the PGCVA reference price, as described above and the change of
10 \$0.012766 per m³ related to the recovery of the GPRA balance, also as described above.
11 These changes apply to all system gas customers served under Rates 1, 2, 3, 4 and 5.
12 There are no other changes to these rate schedules. The proposed rate schedules are
13 attached as Appendix A. The proposed customer notices are attached as Appendix C.

14

15 Schedule 12 provides a residential bill comparison showing the impact of the proposed
16 changes on a year over year basis for the appropriate quarter as well as the annual bill
17 impact of the most recent quarterly change. The annual bill impact on a customer
18 consuming approximately 2,000 m³ is a decrease of \$91.13.

19

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

TWELVE MONTH PERIOD - APRIL, 2008 TO MARCH, 2009

Act/Fcst	Month	Purchase Cost (\$'s)	M*3	Actual/ Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
Actual	April	571,848	1,626,376	0.351609	0.351880	0.000271	440.75	(26,379.13)	(91.19)	(44,863.43)	349.56	(71,242.56)	148.6	4.08%
Actual	May	613,515	1,592,754	0.385191	0.351880	(0.033311)	(53,056.24)	(79,435.37)	(89.69)	(44,953.12)	(53,145.93)	(124,388.49)	86.3	4.08%
Actual	June	594,615	1,478,370	0.402210	0.351880	(0.050330)	(74,406.36)	(153,841.73)	(270.08)	(45,223.20)	(74,676.44)	(199,064.93)	48.3	4.08%
Actual	July	609,587	1,451,773	0.419891	0.438512	0.018621	27,033.47	(126,808.26)	(429.47)	(45,652.67)	26,604.00	(172,460.93)	34.4	3.35%
Actual	August	533,978	1,360,898	0.392372	0.438512	0.046140	62,791.83	(64,016.43)	(354.01)	(46,006.68)	62,437.82	(110,023.11)	36.6	3.35%
Actual	September	517,030	1,338,744	0.386205	0.438512	0.052307	70,025.70	6,009.27	(178.71)	(46,185.39)	69,846.99	(40,176.12)	43.6	3.35%
Actual	October	569,459	1,544,566	0.368685	0.373181	0.004496	6,944.37	12,953.64	16.78	(46,168.61)	6,961.15	(33,214.97)	108.9	3.35%
Actual	November	645,525	1,638,596	0.393950	0.373181	(0.020769)	(34,032.00)	(21,078.36)	36.16	(46,132.45)	(33,995.84)	(67,210.81)	218.4	3.35%
Actual	December	615,049	1,532,894	0.401233	0.373181	(0.028052)	(43,000.76)	(64,079.12)	(58.84)	(46,191.29)	(43,059.60)	(110,270.41)	335.2	3.35%
Actual	January	728,826	1,991,241	0.366016	0.347919	(0.018097)	(36,035.49)	(100,114.61)	(130.83)	(46,322.12)	(36,166.32)	(146,436.73)	355.2	2.45%
Forecast	February	1,015,075	3,157,783	0.321452	0.347919	0.026467	83,577.05	(16,537.56)	(204.40)	(46,526.52)	83,372.65	(63,064.08)	293.2	2.45%
Forecast	March	<u>640,549</u>	<u>1,691,616</u>	<u>0.378661</u>	0.347919	(0.030742)	<u>(52,003.66)</u>	<u>(68,541.22)</u>	<u>(33.76)</u>	<u>(46,560.28)</u>	<u>(52,037.42)</u>	<u>(115,101.50)</u>	<u>246.2</u>	2.45%
	Total	7,655,056	20,405,612	0.375145			(41,721.34)	(68,541.22)	(1,788.04)	(46,560.28)	(43,509.38)	(115,101.50)	1,954.9	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.005641)
Forecast Average Residential Consumption per Customer 1,954.9 M*3
Estimated Impact on Average Residential Customer \$11.03 Customer Charge

(1) Includes balance of (26,819.88) as of March, 2008
(2) Includes balance of (44,772.24) as of March, 2008

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

TWELVE MONTH PERIOD - APRIL, 2008 TO MARCH, 2009

	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Feb-09</u>	<u>Mar-09</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	576,927	504,879	419,841	361,419	442,207	436,609	465,284	435,328	436,359	402,672	590,000	580,000	5,651,525
Local Production (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	587,532	609,045	592,616	610,433	439,983	438,294	604,234	650,763	600,696	602,336	2,113,769	608,958	8,458,661
Western Delivery	461,916	478,830	465,913	479,921	478,708	463,841	475,048	552,505	495,839	497,192	454,014	502,658	5,806,385
Ontario Delivered Gas	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>489,041</u>	<u>0</u>	<u>0</u>	<u>489,041</u>
Total	1,626,376	1,592,754	1,478,370	1,451,773	1,360,898	1,338,744	1,544,566	1,638,596	1,532,894	1,991,241	3,157,783	1,691,616	20,405,612

<u>Price (\$/m3)</u>													
Local Production (A)	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	
Local Production (B)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Parkway Delivery	0.373945	0.418718	0.442723	0.460999	0.438667	0.432148	0.392771	0.424278	0.437236	0.431961	0.303593	0.409306	
Western Delivery	0.336727	0.381833	0.389326	0.404449	0.381368	0.370200	0.351069	0.387142	0.394797	0.394030	0.388276	0.388276	
Ontario Delivered Gas	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.265855	0.000000	0.000000	

<u>Total Gas Cost (\$)</u>													
Local Production (A)	173,770	152,070	126,456	108,859	133,193	131,507	140,144	131,121	131,431	121,285	177,708	174,696	1,702,239
Local Production (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	219,705	255,018	262,365	281,409	193,006	189,408	237,325	276,105	262,646	260,185	641,726	249,250	3,328,148
Western Delivery	155,540	182,833	181,392	194,103	182,564	171,714	166,774	213,898	195,756	195,909	176,283	195,170	2,211,936
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	130,014	0	0	130,014
TCPL Transportation	<u>22,833</u>	<u>23,594</u>	<u>24,402</u>	<u>25,215</u>	<u>25,215</u>	<u>24,402</u>	<u>25,215</u>	<u>24,402</u>	<u>25,215</u>	<u>21,433</u>	<u>19,359</u>	<u>21,433</u>	<u>282,719</u>
Total	571,848	613,515	594,615	609,587	533,978	517,030	569,459	645,525	615,049	728,826	1,015,075	640,549	7,655,056

NATURAL RESOURCE GAS LIMITED

ACTUAL AND FORECAST GAS PRICES

TWELVE MONTH PERIOD - APRIL, 2008 TO MARCH, 2009

	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Feb-09</u>	<u>Mar-09</u>
<u>Local Production</u>												
Local Production (A) (\$/GJ)	7.982	8.008	8.051	8.026	8.005	8.015	7.944	7.913	7.898	7.919	8.006	8.006
Local Production (B) (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<u>Dawn</u> (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<u>Parkway</u> (\$/GJ)	9.910	11.132	11.834	12.284	11.659	11.500	10.359	11.147	11.465	11.357	8.070	10.880
<u>Western Deliveries</u> (\$/GJ)	8.924	10.151	10.407	10.777	10.136	9.852	9.260	10.171	10.352	10.360	10.321	10.321
Fuel Ratio (%)	2.93%	3.10%	1.55%	3.96%	3.96%	4.48%	4.48%	3.97%	4.43%	4.59%	4.00%	4.00%
<u>TCPL Transportation</u> (\$/GJ)												
TCPL Toll	1.310000	1.310000	1.399990	1.399990	1.399990	1.399990	1.399990	1.399990	1.399990	1.190000	1.190000	1.190000
GJ/day (TCPL)	581	581	581	581	581	581	581	581	581	581	581	581
Delivery Commitment Credit (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GJ/day (Obligated)	1,320	1,320	1,320	1,320	1,115	1,130	1,320	1,320	1,320	1,320	1,320	1,320
<u>Ontario Delivered Gas</u> (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.990	0.000	0.000
Heat Value (GJ/103m3)	37.73	37.61	37.41	37.53	37.62	37.58	37.91	38.06	38.14	38.03	37.62	37.62

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

PROJECTED TWELVE MONTH FORWARD PERIOD - APRIL, 2009 TO MARCH, 2010
(NO CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
April	472,081	1,632,632	0.289154	0.347919	0.000271	95,941.59	27,400.37	(139.94)	(46,700.22)	95,801.65	(19,299.85)	186.6	2.45%
May	457,898	1,587,719	0.288400	0.347919	(0.033311)	94,499.46	121,899.83	55.94	(46,644.28)	94,555.40	75,255.55	89.7	2.45%
June	423,889	1,472,632	0.287845	0.347919	(0.050330)	88,466.87	210,366.70	248.88	(46,395.40)	88,715.75	163,971.30	53.1	2.45%
July	415,730	1,447,719	0.287162	0.347919	0.018621	87,959.08	298,325.78	429.50	(45,965.90)	88,388.58	252,359.88	40.9	2.45%
August	439,826	1,527,719	0.287897	0.347919	0.046140	91,696.77	390,022.55	609.08	(45,356.82)	92,305.85	344,665.73	42.8	2.45%
September	429,913	1,492,632	0.288024	0.347919	0.052307	89,401.17	479,423.72	796.30	(44,560.52)	90,197.47	434,863.20	58.5	2.45%
October	542,234	1,867,719	0.290319	0.347919	0.057600	107,580.63	587,004.35	978.82	(43,581.70)	108,559.45	543,422.65	118.7	2.45%
November	588,149	1,752,632	0.335580	0.347919	0.012339	21,625.72	608,630.07	1,198.47	(42,383.23)	22,824.19	566,246.84	202.7	2.45%
December	585,600	1,737,719	0.336994	0.347919	0.010925	18,984.58	627,614.65	1,242.62	(41,140.61)	20,227.20	586,474.04	321.8	2.45%
January	582,580	1,727,719	0.337196	0.347919	0.010723	18,526.33	646,140.98	1,281.38	(39,859.23)	19,807.71	606,281.75	355.2	2.45%
February	529,807	1,572,456	0.336929	0.347919	0.010990	17,281.29	663,422.27	1,319.20	(38,540.03)	18,600.49	624,882.24	293.2	2.45%
March	<u>564,454</u>	<u>1,667,719</u>	<u>0.338459</u>	0.347919	0.009460	<u>15,776.62</u>	<u>679,198.89</u>	<u>1,354.49</u>	<u>(37,185.54)</u>	<u>17,131.11</u>	<u>642,013.35</u>	<u>246.2</u>	2.45%
Total	6,032,161	19,487,018	0.309548			747,740.11	679,198.89	9,374.74	(37,185.54)	757,114.85	642,013.35	2,009.4	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.032946
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$66.20 Customer Rebate

(1) Includes March, 2009 year-to-date balance of (\$68,541.22) (See Schedule 2)
(2) Includes March, 2009 year-to-date balance of (\$46,560.28) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - APRIL, 2009 TO MARCH, 2010

	<u>Apr-09</u>	<u>May-09</u>	<u>Jun-09</u>	<u>Jul-09</u>	<u>Aug-09</u>	<u>Sep-09</u>	<u>Oct-09</u>	<u>Nov-09</u>	<u>Dec-09</u>	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	580,000	500,000	420,000	360,000	440,000	440,000	780,000	700,000	650,000	640,000	590,000	580,000	6,680,000
Local Production (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	589,314	608,958	589,314	608,958	608,958	589,314	608,958	589,314	608,958	608,958	550,027	608,958	7,169,989
Western Delivery	463,317	478,761	463,317	478,761	478,761	463,317	478,761	463,317	478,761	478,761	432,430	478,761	5,637,028
Ontario Delivered Gas	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,632,632	1,587,719	1,472,632	1,447,719	1,527,719	1,492,632	1,867,719	1,752,632	1,737,719	1,727,719	1,572,456	1,667,719	19,487,018

<u>Price (\$/m3)</u>													
Local Production (A)	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.302089	0.302089	0.302089	0.302089	0.302089	
Local Production (B)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Dawn Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Parkway Delivery	0.277184	0.277184	0.277184	0.277184	0.277184	0.277184	0.277184	0.362770	0.362770	0.362770	0.362770	0.362770	
Western Delivery	0.244530	0.244530	0.244530	0.244530	0.244530	0.244530	0.244530	0.306829	0.306829	0.306829	0.306829	0.306829	
Ontario Delivered Gas	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	

<u>Total Gas Cost (\$)</u>													
Local Production (A)	174,696	150,600	126,504	108,432	132,528	132,528	234,936	211,462	196,358	193,337	178,233	175,212	2,014,825
Local Production (B)	0	0	0	0	0	0	0	0	0	0	0	0	0
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	163,348	168,793	163,348	168,793	168,793	163,348	168,793	213,786	220,912	220,912	199,533	220,912	2,241,273
Western Delivery	113,295	117,072	113,295	117,072	117,072	113,295	117,072	142,159	146,898	146,898	132,682	146,898	1,523,706
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
TCPL Transportation	<u>20,742</u>	<u>21,433</u>	<u>20,742</u>	<u>21,433</u>	<u>21,433</u>	<u>20,742</u>	<u>21,433</u>	<u>20,742</u>	<u>21,433</u>	<u>21,433</u>	<u>19,359</u>	<u>21,433</u>	<u>252,357</u>
Total	472,081	457,898	423,889	415,730	439,826	429,913	542,234	588,149	585,600	582,580	529,807	564,454	6,032,161

[illegible]

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - APRIL, 2009 TO MARCH, 2010
(WITH CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
April	472,081	1,632,632	0.289154	0.315331	0.026177	42,737.40	(25,803.82)	(139.94)	(46,700.22)	42,597.46	(72,504.04)	186.6	2.45%
May	457,898	1,587,719	0.288400	0.315331	0.026931	42,758.87	16,955.05	(52.68)	(46,752.90)	42,706.19	(29,797.85)	89.7	2.45%
June	423,889	1,472,632	0.287845	0.315331	0.027486	40,476.75	57,431.80	34.62	(46,718.28)	40,511.37	10,713.52	53.1	2.45%
July	415,730	1,447,719	0.287162	0.315331	0.028169	40,780.80	98,212.60	117.26	(46,601.02)	40,898.06	51,611.58	40.9	2.45%
August	439,826	1,527,719	0.287897	0.315331	0.027434	41,911.45	140,124.05	200.52	(46,400.50)	42,111.97	93,723.55	42.8	2.45%
September	429,913	1,492,632	0.288024	0.315331	0.027307	40,759.29	180,883.34	286.09	(46,114.41)	41,045.38	134,768.93	58.5	2.45%
October	542,234	1,867,719	0.290319	0.315331	0.025012	46,715.40	227,598.74	369.30	(45,745.11)	47,084.70	181,853.63	118.7	2.45%
November	588,149	1,752,632	0.335580	0.315331	(0.020249)	(35,489.04)	192,109.70	464.68	(45,280.43)	(35,024.36)	146,829.27	202.7	2.45%
December	585,600	1,737,719	0.336994	0.315331	(0.021663)	(37,644.21)	154,465.49	392.22	(44,888.21)	(37,251.99)	109,577.28	321.8	2.45%
January	582,580	1,727,719	0.337196	0.315331	(0.021865)	(37,776.58)	116,688.91	315.37	(44,572.84)	(37,461.21)	72,116.07	355.2	2.45%
February	529,807	1,572,456	0.336929	0.315331	(0.021598)	(33,961.91)	82,727.00	238.24	(44,334.60)	(33,723.67)	38,392.40	293.2	2.45%
March	<u>564,454</u>	<u>1,667,719</u>	<u>0.338459</u>	0.315331	(0.023128)	<u>(38,571.01)</u>	<u>44,155.99</u>	<u>168.90</u>	<u>(44,165.70)</u>	<u>(38,402.11)</u>	<u>(9.71)</u>	<u>246.2</u>	2.45%
Total	6,032,161	19,487,018	0.309548			112,697.21	44,155.99	2,394.58	(44,165.70)	115,091.79	(9.71)	2,009.4	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.000000)
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$0.00 Customer Charge

(1) Includes March, 2009 year-to-date balance of (\$68,541.22) (See Schedule 2)
(2) Includes March, 2009 year-to-date balance of (\$46,560.28) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

GAS PURCHASE REBALANCING ACCOUNT

APRIL, 2008 THROUGH MARCH, 2010

Month	Purchase Volume (M*3) A	Throughput Volume (M*3) B	Direct Purchase Volume (M*3) C	System Sales Volume (M*3) D=B-C	Deemed U.F.G. (M*3) E	System Sales + U.F.G. (M*3) F=D+E	Monthly Inventory Balance (M*3) G=A-F	Cumulative Inventory (M*3) H (1)	Reference Price (\$/M*3) I	Inventory Revaluation (\$'s) J	Inventory Rate (\$/M*3) K	Inventory Recovery (\$'s) L=KxH	Y-T-D GPRA Balance (\$'s) M (2)	Monthly Interest (\$'s) N	Y-T-D Interest (\$'s) O (3)	Total Y-T-D GPRA (\$'s) P=M+O	Monthly Interest Rate
April	1,626,376	1,508,633	64,070	1,444,563	0	1,444,563	181,813	(4,302,743)	0.351880	0.00	0.008709	12,580.70	(181,803.67)	(660.91)	12,038.00	(169,765.67)	4.08%
May	1,592,754	900,694	39,703	860,991	0	860,991	731,763	(3,570,980)	0.351880	0.00	0.008709	7,498.37	(174,305.30)	(618.13)	11,419.87	(162,885.43)	4.08%
June	1,478,370	521,105	16,440	504,665	0	504,665	973,705	(2,597,275)	0.351880	(225,007.15)	0.008709	4,395.13	(394,917.32)	(592.64)	10,827.23	(384,090.09)	4.08%
July	1,451,773	419,595	25,027	394,568	0	394,568	1,057,205	(1,540,070)	0.438512	0.00	0.019585	7,727.61	(387,189.71)	(1,102.48)	9,724.75	(377,464.96)	3.35%
August	1,360,898	634,506	43,946	590,560	0	590,560	770,338	(769,732)	0.438512	0.00	0.019585	11,566.12	(375,623.59)	(1,080.90)	8,643.85	(366,979.74)	3.35%
September	1,338,744	1,041,141	267,373	773,768	0	773,768	564,976	(204,756)	0.438512	13,376.90	0.019585	15,154.25	(347,092.44)	(1,048.62)	7,595.23	(339,497.21)	3.35%
October	1,544,566	4,114,361	2,650,710	1,463,651	0	1,463,651	80,915	(123,841)	0.373181	0.00	0.014435	21,127.80	(325,964.64)	(968.97)	6,626.26	(319,338.38)	3.35%
November	1,638,596	5,561,489	2,822,369	2,739,120	0	2,739,120	(1,100,524)	(1,224,365)	0.373181	0.00	0.014435	39,539.20	(286,425.44)	(909.98)	5,716.28	(280,709.16)	3.35%
December	1,532,894	5,872,447	2,888,947	2,983,500	0	2,983,500	(1,450,606)	(2,674,970)	0.373181	67,575.10	0.014435	43,066.82	(175,783.52)	(799.60)	4,916.68	(170,866.84)	3.35%
January	1,991,241	5,908,819	2,902,814	3,006,005	0	3,006,005	(1,014,764)	(3,689,734)	0.347919	0.00	0.009450	28,406.75	(147,376.77)	(358.89)	4,557.79	(142,818.98)	2.45%
February	3,157,783	6,194,588	2,885,867	3,308,721	0	3,308,721	(150,938)	(3,840,672)	0.347919	0.00	0.009450	31,267.41	(116,109.36)	(300.89)	4,256.90	(111,852.46)	2.45%
March	1,691,616	5,452,036	2,823,366	2,628,670	0	2,628,670	(937,054)	(4,777,726)	0.347919	155,696.54	0.009450	24,840.93	64,428.10	(237.06)	4,019.84	68,447.94	2.45%
April	1,632,632	4,510,234	2,764,070	1,746,164	0	1,746,164	(113,532)	(4,891,258)	0.315331	0.00	0.009450	16,501.25	80,929.35	131.54	4,151.38	85,080.73	2.45%
May	1,587,719	3,582,043	2,739,703	842,340	0	842,340	745,379	(4,145,879)	0.315331	0.00	0.009450	7,960.11	88,889.46	165.23	4,316.61	93,206.07	2.45%
June	1,472,632	3,219,838	2,716,440	503,398	0	503,398	969,234	(3,176,646)	0.315331	0.00	0.009450	4,757.11	93,646.57	181.48	4,498.09	98,144.66	2.45%
July	1,447,719	3,200,005	2,725,027	474,978	0	474,978	972,741	(2,203,904)	0.315331	0.00	0.009450	4,488.54	98,135.11	191.20	4,689.29	102,824.40	2.45%
August	1,527,719	3,588,804	2,717,609	871,195	0	871,195	656,524	(1,547,380)	0.315331	0.00	0.009450	8,232.79	106,367.90	200.36	4,889.65	111,257.55	2.45%
September	1,492,632	4,041,025	2,757,952	1,283,073	0	1,283,073	209,559	(1,337,821)	0.315331	0.00	0.009450	12,125.04	118,492.94	217.17	5,106.82	123,599.76	2.45%
October	1,867,719	4,722,583	2,861,651	1,860,932	0	1,860,932	6,787	(1,331,034)	0.315331	0.00	0.009450	17,585.81	136,078.75	241.92	5,348.74	141,427.49	2.45%
November	1,752,632	5,606,513	2,886,092	2,720,421	0	2,720,421	(967,789)	(2,298,824)	0.315331	0.00	0.009450	25,707.98	161,786.73	277.83	5,626.57	167,413.30	2.45%
December	1,737,719	5,194,215	2,873,762	2,320,453	0	2,320,453	(582,734)	(2,881,557)	0.315331	0.00	0.009450	21,928.28	183,715.01	330.31	5,956.88	189,671.89	2.45%
January	1,727,719	5,908,819	2,902,814	3,006,005	0	3,006,005	(1,278,286)	(4,159,843)	0.315331	0.00	0.009450	28,406.75	212,121.76	375.08	6,331.96	218,453.72	2.45%
February	1,572,456	6,194,588	2,885,867	3,308,721	0	3,308,721	(1,736,265)	(5,896,108)	0.315331	0.00	0.009450	31,267.41	243,389.17	433.08	6,765.04	250,154.21	2.45%
March	1,667,719	5,452,036	2,823,366	2,628,670	0	2,628,670	(960,951)	(6,857,058)	0.315331	0.00	0.009450	24,840.93	268,230.10	496.92	7,261.96	275,492.06	2.45%

(1) Includes balance of (4,484,556) as of March, 2008
(2) Includes balance of (194,384.37) as of March, 2008
(3) Includes balance of 12,698.91 as of March, 2008

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS TRANSPORTATION VARIANCE ACCOUNT - PROJECTED BALANCE

TWELVE MONTH PERIOD - APRIL, 2008 TO MARCH, 2009

<u>Act/Fcst</u>	<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Actual/ Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGTVA (\$'s)</u>	<u>Y-T-D PGTVA (\$'s) (1)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s) (2)</u>	<u>Total PGTVA (\$'s)</u>	<u>Total Y-T-D PGTVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>
Actual	April	32,065	1,355,278	0.023659	0.019029	(0.004630)	(6,274.94)	98,755.74	357.10	1,114.85	(5,917.84)	99,870.59	148.6
Actual	May	28,474	909,244	0.031317	0.019029	(0.012288)	(11,172.79)	87,582.95	335.77	1,450.62	(10,837.02)	89,033.57	86.3
Actual	June	28,522	479,521	0.059479	0.019029	(0.040450)	(19,396.62)	68,186.33	297.78	1,748.40	(19,098.84)	69,934.73	48.3
Actual	July	33,417	436,731	0.076517	0.019029	(0.057488)	(25,106.79)	43,079.54	190.35	1,938.75	(24,916.44)	45,018.29	34.4
Actual	August	47,298	610,230	0.077508	0.019029	(0.058479)	(35,685.65)	7,393.89	120.26	2,059.01	(35,565.39)	9,452.90	36.6
Actual	September	49,662	1,044,317	0.047554	0.019029	(0.028525)	(29,789.15)	(22,395.26)	20.64	2,079.65	(29,768.51)	(20,315.61)	43.6
Actual	October	66,087	4,107,387	0.016090	0.019029	0.002939	12,071.61	12,071.61	0.00	0.00	12,071.61	12,071.61	108.9
Actual	November	75,746	5,863,859	0.012917	0.019029	0.006112	35,839.91	47,911.52	33.70	33.70	35,873.61	47,945.22	218.4
Actual	December	76,900	6,078,333	0.012652	0.019029	0.006377	38,761.53	86,673.05	133.75	167.45	38,895.28	86,840.50	335.2
Actual	January	79,192	6,451,699	0.012275	0.019029	0.006754	43,574.78	130,247.83	176.96	344.41	43,751.74	130,592.24	355.2
Forecast	February	76,134	6,010,000	0.012668	0.019029	0.006361	38,229.61	168,477.44	265.92	610.33	38,495.53	169,087.77	293.2
Forecast	March	<u>73,895</u>	<u>5,587,000</u>	<u>0.013226</u>	0.019029	0.005803	<u>32,421.36</u>	<u>200,898.80</u>	<u>343.97</u>	<u>954.30</u>	<u>32,765.33</u>	<u>201,853.10</u>	<u>246.2</u>
	Total	667,393	38,933,599	0.017142			73,472.86	200,898.80	2,276.20	954.30	75,749.06	201,853.10	1,954.9

PGTVA Balance per M*3 Purchased (\$/M*3) \$0.005185
Forecast Average Residential Consumption per Customer 1,954.9 M*3
Estimated Impact on Average Residential Customer \$10.14 Customer Rebate

(1) Includes balance of 105,030.68 as of March, 2008
(2) Includes balance of 757.75 as of March, 2008

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS TRANSPORTATION VARIANCE ACCOUNT - PROJECTED BALANCE

PROJECTED TWELVE MONTH FORWARD PERIOD - APRIL, 2009 TO MARCH, 2010
(NO CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGTVA (\$'s)	Y-T-D PGTVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGTVA (\$'s)	Total Y-T-D PGTVA (\$'s)	Average Residential Consumption (M*3)
April	65,390	4,018,000	0.016274	0.019029	0.002755	11,069.59	211,968.39	410.17	1,364.47	11,479.76	213,332.86	186.6
May	63,362	3,564,000	0.017778	0.019029	0.001251	4,458.56	216,426.95	432.77	1,797.24	4,891.33	218,224.19	89.7
June	61,606	3,160,000	0.019496	0.019029	(0.000467)	(1,475.72)	214,951.23	441.87	2,239.11	(1,033.85)	217,190.34	53.1
July	61,606	3,100,000	0.019873	0.019029	(0.000844)	(2,616.40)	212,334.83	438.86	2,677.97	(2,177.54)	215,012.80	40.9
August	62,246	3,298,000	0.018874	0.019029	0.000155	511.19	212,846.02	433.52	3,111.49	944.71	215,957.51	42.8
September	63,108	3,457,000	0.018255	0.019029	0.000774	2,675.72	215,521.74	434.56	3,546.05	3,110.28	219,067.79	58.5
October	64,841	4,116,866	0.015750	0.019029	0.003279	13,499.20	13,499.20	0.00	0.00	13,499.20	13,499.20	118.7
November	70,591	5,097,505	0.013848	0.019029	0.005181	26,410.17	39,909.37	27.56	27.56	26,437.73	39,936.93	202.7
December	74,006	5,677,341	0.013035	0.019029	0.005994	34,029.98	73,939.35	81.48	109.04	34,111.46	74,048.39	321.8
January	76,660	6,157,030	0.012451	0.019029	0.006578	40,500.95	114,440.30	150.96	260.00	40,651.91	114,700.30	355.2
February	75,634	5,917,805	0.012781	0.019029	0.006248	36,974.44	151,414.74	233.65	493.65	37,208.09	151,908.39	293.2
March	<u>72,211</u>	<u>5,276,285</u>	<u>0.013686</u>	0.019029	0.005343	<u>28,191.19</u>	<u>179,605.93</u>	<u>309.14</u>	<u>802.79</u>	<u>28,500.33</u>	<u>180,408.72</u>	<u>246.2</u>
Total	811,261	52,839,832	0.015353			194,228.87	179,605.93	3,394.54	802.79	197,623.41	180,408.72	2,009.4

PGTVA Balance per M*3 Purchased (\$/M*3) \$0.003414
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$6.86 Customer Rebate

(1) Includes March, 2009 year-to-date balance of \$200,898.80 (See Schedule 10)
(2) Includes March, 2009 year-to-date balance of \$954.30 (See Schedule 10)

NATURAL RESOURCE GAS LIMITED

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Apr-08 <u>EB-2008-0031</u>	Quarter Starting 01-Apr-09 <u>EB-2009-0062</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption for Quarter	329.4	329.4		
Monthly Charges	\$34.50	\$34.50	\$0.00	0.0%
Delivery Charges	\$50.40	\$50.40	\$0.00	0.0%
Total Commodity Charges	<u>\$119.38</u>	<u>\$107.59</u>	<u>(\$11.80)</u>	<u>-9.9%</u>
Total Customer Charges	\$204.28	\$192.48	(\$11.80)	-5.8%

ANNUAL BILL IMPACT

	01-Jan-09 <u>EB-2008-0377</u>	01-Apr-09 <u>EB-2009-0062</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption	2,009.4	2,009.4		
Monthly Charges	\$138.00	\$138.00	\$0.00	0.0%
Delivery Charges	\$307.44	\$307.44	\$0.00	0.0%
Total Commodity Charges	<u>\$721.96</u>	<u>\$656.29</u>	<u>(\$65.67)</u>	<u>-9.1%</u>
Total Customer Charges	\$1,167.40	\$1,101.72	(\$65.67)	-5.6%

RATES USED

	01-Apr-08 <u>EB-2008-0031</u>	01-Jan-09 <u>EB-2008-0377</u>	01-Apr-09 <u>EB-2009-0062</u>
Monthly charge	11.50	11.50	11.50
Delivery Charge	0.152999	0.152999	0.152999
Total Commodity Charge	0.362417	0.359292	0.326609

APPENDIX "A" TO
DECISION AND ORDER
BOARD FILE No. EB-2009-0062
DATED MARCH XX, 2009

NATURAL RESOURCE GAS LIMITED

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

All customers.

Rate

a)	Monthly Fixed Charge	\$11.50
b)	Delivery Charge	
	First 1,000 m ³ per month	15.2999 cents per m ³
	All over 1,000 m ³ per month	10.4073 cents per m ³
c)	Gas Supply Charge (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 NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. 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 NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

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:	November 1 through March 31:
a) Monthly Fixed Charge	\$12.75	\$12.75
b) Delivery Charge		
First 1,000 m ³ per month	14.5000 cents per m ³	18.5648 cents per m ³
Next 24,000 m ³ per month	10.0431 cents per m ³	16.6254 cents per m ³
All over 25,000 m ³ per month	6.5417 cents per m ³	16.1952 cents per m ³
c) Gas Supply Charge (if applicable)	Schedule A	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 NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. 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 NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

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 \$150.00 for firm or interruptible customers; or
A Monthly Customer Charge of \$175.00 for combined (firm and interruptible) customers.

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 25.5904 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 3.7310 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 9.2249 cents per m³ and not to be less than 6.0992 per m³.

- d) Gas Supply Charge (if applicable)

See Schedule A.

- e) 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;
- 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 3.3853 cents per m³ for firm gas and 5.7536 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 6.3515 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 NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. 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 NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, 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 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

All customers whose operations, in the judgment of Natural Resource Gas Limited, 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	\$12.75	\$12.75
b) Delivery Charge		
First 1,000 m ³ per month	14.4501 cents per m ³	18.5648 cents per m ³
All over 1,000 m ³ per month	10.3477 cents per m ³	16.6254 cents per m ³
c) Gas Supply Charge (if applicable)	Schedule A	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 NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. 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 NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: April 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

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) A Monthly Customer Charge:

A Monthly Customer Charge of \$150.00.

- 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 8.8345 cents per m³ and not to be less than 5.7192 per m³.

- c) Gas Supply Charge (if applicable)

See Schedule A.

- d) 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;
- 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 5.9604 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 NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. 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 NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, 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 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

SCHEDULE A – Gas Supply Charges

Rate Availability

Entire service area of the company.

Eligibility

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

Rate

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

PGCVA Reference Price	(EB-2009-0062)	31.5331 cents per m3
GPRA Recovery Rate	(EB-2009-0062)	(0.3221) cents per m3
System Gas Fee	(EB-2005-0544)	<u>0.1828</u> cents per m3
Total Gas Supply Charge		31.3938 cents per m3

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: April 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

NATURAL RESOURCE GAS LIMITED

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 NRG. The availability of this option is subject to NRG obtaining a satisfactory agreement or arrangement with Union Gas and NRG's gas supplier for direct purchase volume and DCQ offsets.

Eligibility

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

Rate

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

Note:

Ontario Point of Delivery means Dawn or Parkway on the Union Gas System as agreed to by NRG and NRG's customer or their agent.

Effective: April 01, 2009

Implementation: All bills rendered on or after April 01, 2009

EB-2009-0062

**APPENDIX “B” TO
DECISION AND ORDER
BOARD FILE No. EB-2009-0062
DATED MARCH XX, 2009**

NATURAL RESOURCE GAS LIMITED

Accounting Entries for the Purchased Gas Commodity Variance Account

Note: Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

Debit/Credit - Account No. 179-27
Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit - Account No. 623
Gas Purchases

To record monthly as a debit (credit) in Deferral Account No. 179-27 (PGCVA) the difference between the unit cost of all gas commodity purchased by NRG each month including local production and NRG's weighted average cost of gas, the latter being \$0.315331 per m³ approved for rate making purposes effective April 01, 2009.

Debit/Credit - Account No. 179-28
Interest on PGCVA

Credit/Debit - Account No. 323
Other Interest Expense

To record monthly as a debit (credit) in Deferral Account No. 179-28 (PGCVA), simple interest on the balance in Account No. 179-27. Such interest shall be computed monthly on the opening balance in the account at the Board approved short-term debt rate and shall not be compounded.

**APPENDIX "C" TO
DECISION AND ORDER
BOARD FILE No. EB-2009-0062
DATED MARCH XX, 2009**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

On all bills rendered by NRG on or after April 1, 2009, the price we charge for the gas commodity and transportation portion of your bill will be decreasing by \$0.045354 per cubic meter to \$0.313938 per cubic meter. The Ontario Energy Board (OEB) has approved this change to reflect the prices that NRG expects that it will be paying to its gas suppliers through to the end of March, 2010. On your gas bill this cost is on the line entitled "Gas Commodity".

As a regulated utility, NRG is permitted to recover what it pays for the purchase of gas plus any costs reasonably associated with this purchase but with no mark up or 'profit'. The price the utility charges you is based on the forecasted gas and transportation costs to NRG, which are periodically reviewed by the OEB and reconciled with actual costs. The gas commodity portion gets adjusted regularly throughout the year as the price of the gas commodity changes.

How will this price increase impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 2,000 cubic meters of gas annually, this price change will cause your annual heating costs to decrease by approximately \$91 per year. For customers who have arranged to have their gas supplied by a gas marketer/broker, the price may or may not change depending on the terms of the contract the customer has with the gas marketer/broker.

If you have any questions about this rate change, please do not hesitate to contact us at 519-773-5321. We thank you for continuing to make natural gas your fuel of choice.