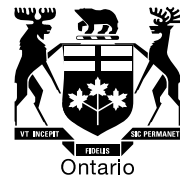


**Ontario Energy
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**Commission de l' énergie
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BY EMAIL ONLY

To: Natural Resource Gas Limited
Corporation of the Town of Aylmer
Integrated Grain Processors Co-operative Inc.
Union Gas Limited

**Re: Vary Order - Rate Application Date
Natural Resource Gas Limited - Franchise Renewal
Proceeding (EB-2008-0413)**

The Board received a letter dated June 24, 2009 from Natural Resource Gas Limited ("NRG") requesting that the Board vary its order dated May 5, 2009 regarding NRG's Franchise Renewal. That order requires, amongst other things, that NRG file an application for new rates by November 5, 2009. NRG is requesting an extension to that filing deadline to January 31, 2010. NRG indicated that it intends to request new rates effective October 1, 2010. NRG's letter is attached as Appendix A to this Board letter.

NRG indicated that the rate application requires extensive preparations to address a variety of complex issues. NRG also informed the Board that it has new senior staff and a new rate consultant, Elenchus Research Associates ("ERA"). ERA advised NRG that it would be very difficult and costly to complete NRG's rate application by the deadline of November 5, 2009.

The Board invites the intervenors of record in this proceeding to submit comments regarding NRG's request and will offer NRG an opportunity to respond to these submissions.

Steps for Intervenor Submissions and NRG's Reply

The Board has determined that following process will be followed with respect to the filing intervenor submissions, and NRG's reply. Once this process is complete, the

Board will issue its decision on NRG's request for extension of the deadline for rate submission.

1. Any intervenor intending to file a submission in regard to NRG's Application, it shall do so **no later than Friday, July 10, 2009.**
2. NRG may file its reply submission in response to any submissions made by intervenors **no later than Friday, July 17, 2009.**
3. All filings to the Board must quote file number EB-2008-0413, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to boardsec@oeb.gov.on.ca. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. All communications should be directed to the attention of the Board Secretary, and be received no later than 4:45 p.m. on the required date.

DATED at Toronto, June 30, 2009

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

**Appendix A
To
Board Letter to Natural Resource Gas Limited and Intervenors
June 30, 2009**

**Letter to the Board from Natural Resource Gas Limited dated June 24, 2009
Requesting Delay in Rate Filing
(EB-2008-0413)**



Natural Resource Gas Limited

39 Beech St. E., PO Box 307, Aylmer On N5H 2S1

June 24, 2009

Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli,

Re: Natural Resource Gas Limited 2011 Rates Application

The Board's Decision with Reasons, Board file number EB-2008-0413, requires that Natural Resource Gas Limited ("NRG") file a 2011 rates application with the Board on or before November 5, 2009. As the result of a number of factors noted below, I am writing to you seeking an extension of that filing deadline.

NRG has identified that the 2011 Rate Application will be extensive and complex. NRG is tasked with filing 6 years of data, preparing evidence on several 'one-of-a-kind' issues as well as evidence addressing the issues raised in the EB-2008-0413 Decision.

The one of a kind issues include:

- a) reports on automobile policy and potential elimination of Class 2;
- b) rate base treatment of the pipeline serving IGPC;
- c) a new customer class for IGPC;
- d) compliance with GDAR and reporting requirements; and
- e) support of the gas costs in NRG's renewed contracts with Union Gas.

The issues raised in the franchise hearing that will have to be addressed include:

- a) security deposit policy;
- b) financing;
- c) customer service;
- d) supplier relations;
- e) working cash management; and
- f) franchise extensions and amortization periods.

Addressing these issues against the backdrop of 6 years of capital spending, operating and maintenance expenses, revenue and all other relevant data will require intensive work by NRG staff and its external advisors. NRG has been advised by its rate consultant Elenchus Research Associates ("ERA"), that given the new staff and the delay from IGPC negotiations, it would be very difficult and costly (and may not be possible depending on data availability) to complete NRG's 2011 rate application by the due date set by the Board in its EB-2008-0413 Decision. In order to ensure that

NRG is able to file a complete application in a timely and cost effective manner addressing all of the issues identified by the Board, ERA recommended that NRG seek an extension to the filing date.

Since NRG filed its last rates application, the company has new senior staff and consulting team. The Board is aware that NRG has an appropriate size of staff for the size and requirements of its' business and as such does not have staff assigned specifically to any rate applications, filings and other Board Matters that have arisen from time to time. In addition, over the last two years NRG senior staff have been diligently working to supply and deliver gas to IGPC and in doing so have spent a considerable amount of time balancing the interests of its customers and shareholders. They continue to work with IGPC on a priority basis to resolve issues related to natural gas service (e.g. the Contribution in Aid of Construction). These incremental duties require considerable attention to correctly resolve all aspects of this multi-million dollar expenditure.

In order to manage its utility operations prudently and meet the Board's request for a 2011 rate review, NRG has recently retained ERA to provide consulting services and support in the preparation and presentation of its application. In preparing a coordinated plan that will address the data and issues requested by the Board in its 2011 rates application, NRG and ERA have estimated that considerable additional time is needed to file a complete application by January 31, 2010 at a cost in excess of \$300,000. The requested extension will provide NRG with sufficient flexibility to coordinate its resources and better manage the preparation costs of the application. NRG and ERA are committed to working cooperatively with the Board, its staff and interveners to ensure that the Board has a sufficient time to review and process the application, so that rates can be implemented and effective on October 1, 2010.

For these reasons, NRG respectfully requests an extension to the Board original filing deadline and proposes to file on, or before, January 31 2010.

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

Yours truly,


Jack Howley,
General Manager