

**Ontario Energy
Board**
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**Commission de l'énergie
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BY E-MAIL

September 28, 2009

Mr. Jack Howley
General Manager
Natural Resources Gas Limited
39 Beech Street East
Aylmer, ON N5H 2S1

Dear Mr. Howley:

**Re: Compliance with Gas Reporting and Record Keeping Requirements (RRR)
Rule and Decision and Order EB-2008-0273**

As you are well aware, the Ontario Energy Board requires gas utilities to report certain information to the Board at specific intervals. The Board relies on this information for industry monitoring, replying to stakeholder requests, assisting in the review of applications, and many other purposes. The service quality information is particularly important to the Board, as it assists the Board in ensuring that customers are receiving an appropriate level of service. It is important that utilities file complete and accurate information on time.

Natural Resource Gas Limited (NRG) has failed to provide information required under the Natural Gas Reporting and Record Keeping Requirements (RRR) Rule for Gas Utilities. This Rule establishes minimum reporting and record keeping requirements with which all regulated natural gas utilities must comply. You can find the RRR on the Board's website by following this link.

<http://www.oeb.gov.on.ca/OEB/Hearings+and+Decisions/e-Filing+Services>

In the attached appendix, we have listed the information that you have failed to file by the required date shown. As a result, NRG shall identify its action plan to comply with the requirements of RRR in writing to the Board Secretary by **October 13, 2009**. Each

outstanding item contained in the appendix should be addressed individually and NRG shall provide the date by which it undertakes to file each part of the missing information.

This is not the first time NRG has failed to meet its Reporting and Record Keeping Requirements. NRG has been reminded via e-mail, telephone and written correspondence several times since 2007 of its failure to comply with RRR. If NRG continues to fail in meeting the requirements stated above this time, the Board will take action under Part VII.1 of the *Ontario Energy Board Act, 1998*.

In addition, as per the Decision and Order in EB-2008-0273, NRG is to provide Union Gas Ltd. ("Union") with unaudited quarterly statements within 60 days of the end of each quarter and to provide a copy to the Board. NRG has failed to provide these. A copy of the unaudited quarterly statements beginning with the quarter ended March 31, 2009 must be provided to the Board and Union by **October 13, 2009**.

Should you require assistance or explanation of NRG's obligations under RRR, or with respect to Decision and Order EB-2008-0273, please contact Kelli Dobson at 416-440-7624 or Kelli.Dobson@oeb.gov.on.ca

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

APPENDIX
Outstanding Items
Natural Resource Gas Limited

NRG has failed to complete the following filings required under the Natural Gas Utility RRRs and EB-2008-0273:

- RRR 2.1.3 due Aug. 31 2007, Nov. 30 2007, Aug. 31 2008, Apr. 30 2008, May 31 2009 and August 31 2009
 - A utility shall provide in the form and manner required by the Board, quarterly, on the last day of the second month following the quarter end for the first three quarters and the last day of the fourth month following the quarter end for the last quarter, the total number of consumers on system gas for each rate class subdivided by low volume and large volume consumers, measured at the last day of the reporting period.
- RRR 2.1.9 due January 31, 2008 and January 31, 2009
 - A utility shall provide in the form and manner required by the Board, annually, by the last day of the fourth month after the financial year end, information measuring its performance for the preceding financial year against the minimum standards which may be established by the Board from time to time for service quality indicators.
- RRR 2.2.2 due January 31, 2008 and January 31, 2009
 - Where a utility shares information services with an affiliate the utility shall provide in the form and manner required by the Board, annually, by the last day of the fourth month after the financial year end, a statement on data security arrangements, signed by both the chief executive officer and the senior information technology officer or other senior officer of the utility certifying compliance with the access protocols and the services agreement during the preceding calendar year referenced in the Affiliate Relationships Code for Gas Utilities subsection 2.2.2, noting any exceptions.

- RRR 2.2.2 due January 31, 2008 and January 31, 2009
 - A utility shall provide in the form and manner required by the Board, annually, by the last day of the fourth month after the financial year end, a statement signed by both the chief executive officer and the senior regulatory officer or other senior officer of the utility certifying that in ensuring compliance with the Affiliate Relationships Code for Gas Utilities in accordance with subsection 2.7.1 of the Code, during the preceding financial year, the utility has:
 - (a) performed periodic compliance reviews;
 - (b) communicated the Affiliate Relationships Code for Gas Utilities to its employees; and
 - (c) monitored its employees' compliance with the Affiliate Relationships Code for Gas Utilities, noting any exceptions.
- EB-2008-0273 due May 31, 2009 and August 31, 2009
 - It is a condition of this Order that NRG file its 2008 Audited Financial Statements within the four month deadline. And the Board further orders NRG to provide Union with unaudited quarterly statements within 60 days of the end of each quarter and to provide a copy to the Board. This is to begin with the quarter ended December 31, 2008. The Board will carefully monitor NRG's financial performance on an ongoing basis.