

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 January 1, 2008;

AND IN THE MATTER OF the Quarterly Rate
Adjustment Mechanism.

APPLICATION

1. As part of the EB-2007-0734 Decision and Order dated September 28, 2007 the Board approved a PGCVA reference price of \$0.326729 per m³ and a gas supply charge of \$0.326808 per m³, both effective October 1, 2007.
2. Based on actual and forecast natural gas prices for the January, 2007 through December, 2007 period the PGCVA balance is projected to be a credit of approximately \$5 per residential customer. If unadjusted, the projected PGCVA balance at the end of December, 2008 would be a credit of approximately \$44 per residential customer.
3. The PGTVA balance is projected to have a credit balance of approximately \$7 to \$9 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 2007 will be disposed of through a separate application.
4. Based on the requested change in the PGCVA reference price effective January 1, 2008, the GPRA, if unadjusted, would have a projected credit balance of approximately \$6,000.00, including accumulated interest, at the end of December, 2008.

5. NRG hereby applies to the Board for further orders effective January 1, 2008 as follows:

- a) an order changing the reference price for use in determining the amounts to be recorded in the Purchased Gas Commodity Variance Account (Account No. 179-27) by \$0.021311 per m³ from the Board approved level of \$0.326729 per m³ to \$0.305418 per m³;
- b) an order changing the rates and other charges from those authorized by the Board's EB-2007-0734 rate order to reflect a projected \$0.021595 per m³ change in the gas supply charge from the Board approved level of \$0.326808 m³ to a projected cost of \$0.305213 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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And

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Dated at Aylmer, Ontario, this 17th day of December, 2007.

NATURAL RESOURCE GAS LIMITED

Chuck Hindley
General Manager

NATURAL RESOURCE GAS LIMITED**Introduction**

As part of the EB-2007-0734 Decision and Order dated September 28, 2007, the Board approved a PGCVA reference price of \$0.326729 per m³ and a gas supply charge of \$0.326808 per m³, both effective October 1, 2007.

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-2007-0734, the Board approved a GPRA rate of (\$0.001749) per m³.

NRG is proposing to adjust the gas supply charge, the GPRA rate and the PGCVA reference price effective January 1, 2008 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 December, 2007 and for the twelve-month period ending December, 2008. Based on actual and forecast costs, the PGCVA account balance totals a rebate of \$4.84 per residential customer for the twelve month period ending December, 2007 (Schedule 2). This credit, in the absence of a change in the PGCVA reference

December, 2007

1 price, would become a credit of \$43.79 per residential customer by the end of December,
2 2008 (Schedule 5).

3
4 The current forecast reflects the forecast for natural gas prices over the relevant period.
5 These gas prices reflect current market conditions, including alternative energy prices,
6 demand for natural gas, the weather outlook and the impact of storage levels.

7
8 The PGCVA balance has been calculated using the most recent information available,
9 including actual volumes and costs through September, 2007. The remaining months in
10 the twelve-month period ending December, 2007 are calculated using estimated prices
11 based on the best information available at the current time. Forecast prices have been
12 used for the period January, 2008 through December, 2008 period, except where actual
13 contracted prices and volumes are available.

14
15 The gas supply portfolio reflects the current and forecasted mix of delivery points utilized
16 by NRG for system gas purchases.

17
18 Gas Supply Portfolio

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

24
25 NRG is required to balance its total supply with its total demand on the Union Gas
26 system on an annual basis, at the time that the direct purchase contract with Union Gas is
27 renewed. This may entail NRG purchasing Ontario Delivered gas or shedding excess
28 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 Ontario delivered gas that may be purchased in February of each year is 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).

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.

The direct purchase obligated deliveries dropped from 440 GJ/day to 180 GJ/day, reflecting the loss of a direct purchase customer. This direct purchase customer had been assigned an obligation to deliver 260 GJ/day at AECO by NRG using a portion of the capacity allocated to NRG by Union. This 260 GJ/day requirement at AECO remains an obligation of NRG to Union Gas. As a result, the obligation on behalf of system gas customers to deliver at AECO increased from 321 GJ/day to 581 GJ/day in October, 2007. NRG's obligation to deliver on behalf of its system gas customers at Parkway remains at 739 GJ/day.

The change in the composition of the gas deliveries for system gas customers is shown in the following table.

GJ/s per Day

Delivery Point	Sept., 2007	Oct., 2007
Direct Purchase	440	180
AECO	321	581

Parkway	739	739
Dawn	0	0
Total	1,500	1,500

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

As indicated previously, NRG is required to balance its supply with its demand on the Union system to within +/- 4% at the end of the contract year under its bundled transportation contract with Union. The bundled transportation contract year-end corresponds with the end of NRG's fiscal year (September 30). NRG purchases additional balancing gas (or Ontario Delivered gas) or sells gas and/or reduces deliveries such that total demand on the Union system is offset by the supply provided to Union Gas to remain within the contract parameters. As shown in Schedule 4, NRG reduced deliveries to Union at Parkway in May, June, July and August, 2007. This reduction was required to stay within the allowed tolerances on the Union Gas system at the end of the current contract year. This imbalance is largely the result of one direct purchase customer being over supplied at the end of September, 2007.

The composition of the gas supply portfolio volumes for the January, 2007 through December, 2007 period is shown on the top of Schedule 3. This schedule shows the monthly volume of gas purchased or forecast to be purchased from local producers, obligated deliveries at Dawn, Parkway and the Alberta border (Western), and balancing gas (Ontario Delivered). Similarly, the composition of the gas supply portfolio volumes for the January, 2008 through December, 2008 period is shown on the top of Schedule 6.

Gas Costs

NRG's actual and forecast gas costs for the January, 2007 through December, 2007 period, by source of supply, are shown in Schedule 4 in \$/GJ. These prices are also shown in the middle section of Schedule 3 in \$/m³. The conversion factor used is based on the heat values used by Union Gas in their calculation of NRG's Banked Gas Account

1 balances. The conversion factors used are shown in Schedule 4. All prices shown are
2 actual prices paid in January, 2007 through September, 2007. Prices for the remaining
3 months in this period are based on estimated and contracted prices to be paid for these
4 months.

5
6 Prices for January, 2008 through December, 2008 are based on prices averaged over the
7 ten day period from November 12, 2007 through November 27, 2007. These prices are
8 shown in Schedule 7 in \$/GJ and in the middle section of Schedule 6 in $\$/\text{m}^3$. Gas prices
9 for each of the sources of supply are described below. In addition to the above,
10 contracted prices have been used where purchase decisions have been made.

11
12 The first source of supply noted in Schedules 4 and 7 is "Local Production (A)". This
13 refers to gas that is produced in NRG's franchise area and purchased from a related
14 company. This gas has been contracted for through September 30, 2008 at a fixed price
15 of $\$0.3012/\text{m}^3$ (Schedule 6) or $\$8.045/\text{GJ}$ as shown in Schedule 7.

16
17 The second source of local production is noted as "Local Production (B)" in Schedules 4
18 and 7. The price paid for this gas is for Dawn delivery. NRG is not forecasting the
19 purchase of any gas from this source in the January, 2008 through December, 2008
20 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 January, 2008 through December, 2008 period shown in
26 Schedule 7 (Western Deliveries) is combination of contracted and forecast prices. The
27 Empress delivery rate forecast is $\$6.716/\text{GJ}$ in January, $\$6.748/\text{GJ}$ in February, $\$6.670/\text{GJ}$
28 in March, $\$6.746/\text{GJ}$ in the summer period April through October and $\$7.728/\text{GJ}$ in
29 November and December. Fuel costs of 6% are in addition to these rates. The January,
30 2008 through March, 2008 prices also reflect actual contracted volumes over this period

1 for a portion of the Empress deliveries. In particular, the January through March prices
2 reflect a price of \$8.300/GJ (plus fuel) on 150 GJ/day over this period.

3
4 The Parkway price over the January, 2008 through December, 2008 period is based on
5 forecast prices of \$8.078/GJ in January, \$8.122/GJ in February, \$7.932/GJ in March,
6 \$7.796/GJ in April through October and \$8.722/GJ in November and December. In
7 addition, the Parkway price for January through March 2008 reflects locked in prices of
8 \$10.250/GJ, \$9.500/GJ and \$9.000/GJ with each contract accounting for 150 GJ/day.

9
10 NRG is not forecasting the purchase of any delivered gas in September, 2008.

11
12 Other Forecast Assumptions

13 A number of other assumptions have been used to calculate the projected balance in the
14 PGCVA. As shown on Schedules 4 and 7, the fuel ratio for Western deliveries has been
15 forecast at 6.0%. This ratio has been reflected in the forecast prices shown in the
16 schedules for western deliveries.

17
18 TCPL tolls have been forecast at a rate of \$1.03032/GJ. This is the current rate charged
19 by TCPL and approved by the National Energy Board effective April 1, 2007.

20
21 PGCVA Balance

22 The projected December, 2007 balance in the PGCVA is a credit of \$44,955.42,
23 including a debit of \$45,423.32 in accumulated interest, based on the Board approved
24 short term interest rate. This estimate is based on actual and forecasted purchases and the
25 balance brought forward from December, 2006. The PGCVA credit amounts to a rebate
26 of approximately \$4.84 for a typical residential customer consuming approximately 1,994
27 m³ per year. These figures are shown on Schedule 2. The interest rate used is that
28 prescribed by the Board.

1 Proposed PGCVA Rate Changes

2 Schedule 5 shows the impact at the end of the twelve-month period beginning January,
3 2008 if no change is made to the reference price. At the end of December, 2008, the
4 balance in the PGCVA is a credit balance of \$478,711.81, including a debit balance of
5 \$31,716.36 in accumulated interest. This represents a rebate of \$43.79 for a residential
6 customer consuming approximately 2,000 m³ per year.

7

8 NRG proposes to adjust the reference price effective January 1, 2008 based on the
9 projected accumulated balance in the PGCVA as of the end of December, 2007 and the
10 forecasted cost of gas over the 12 month period beginning January, 2008 and ending
11 December, 2008. The reference price will be set such that the projected PGCVA balance
12 at the end of December, 2008 would be close to zero.

13

14 NRG's proposal will clear the PGCVA balance on a prospective basis, eliminating the
15 need for retroactive adjustments. This is consistent with NRG's past proposals in QRAM
16 applications, which were accepted by the Board. In those proceedings, NRG indicated
17 that its customers had made clear their opinion on retroactive adjustments. A large
18 percentage of NRG's gas sales volumes are agriculturally based and these customers
19 cannot recover any retroactive charges. The proposal contained in this application is
20 designed to minimize, and eliminate where possible, the existence of further retroactive
21 billing adjustments.

22

23 NRG proposes to change the reference price by \$0.021311 per m³ effective January 1,
24 2008, from \$0.326729 per m³ to \$0.305418 per m³. The derivation of this rate is shown
25 in Schedule 8. This is the reference price required to bring the PGCVA balance close to
26 zero on a twelve month forecast basis. This change will also be reflected in the gas
27 commodity charge.

28

29

30

GPRA

The impact on the GPRA of the proposed January 1, 2008 change in the PGCVA reference price from \$0.326729 per m³ to \$0.305418 per m³ is a credit of \$14,927.36, as shown on Schedule 9. This figure is shown in column (J) of Schedule 9 and on the December, 2007 line. It is calculated as the change in the PGCVA reference price between October and September, multiplied by the cumulative inventory balance at the end of September. This cumulative inventory balance is the sum of the actual monthly inventory balances for September, 2007 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 January 1, 2008 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 December, 2008 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 credit based on this rate of (\$0.002033) per m³ over the January, 2008 through December, 2008 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 COST DIFFERENCE RECOVERY ACCOUNT

NRG discontinued this charge effective October 1, 2007 and the projected balance was transferred to the PGCVA as a cost of gas in October, 2007.

The Board approved this charge in the RP-2004-0167/EB-2004-0413 Decision and Interim Rate Order dated September, 24, 2004. It was established to track the variance between the amount to be collected from ratepayers (\$531,794), and \$177,265 in each of three years. This three year period expired at the end of September, 2007.

The following table shows the estimated balance in this account at the end of September, 2007.

	Fiscal <u>2005</u>	Fiscal <u>2006</u>	Fiscal <u>2007</u>
System Gas Sales (m3)	21,875,578	19,854,199	19,617,806
Rate (\$/m3)	<u>0.008230</u>	<u>0.008230</u>	<u>0.008230</u>
Recovery (\$)	180,036.01	163,400.06	161,454.54
Approved Recovery (\$)	<u>177,265.00</u>	<u>177,265.00</u>	<u>177,265.00</u>
Recovery Variance (\$)	<u>2,771.01</u>	<u>(13,864.94)</u>	<u>(15,810.46)</u>
Accumulated Variance (\$)	<u>2,771.01</u>	<u>(11,093.93)</u>	<u>(26,904.39)</u>
<u>Calculation of Interest</u>			
Interest Rate (%)	NA	5.50%	4.59%
Interest on Opening Balance (\$)	<u>0.00</u>	<u>152.41</u>	<u>(509.21)</u>
Accumulated Interest (\$)	<u>0.00</u>	<u>152.41</u>	<u>(356.80)</u>
<u>Total Balance (\$)</u>	<u>2,771.01</u>	<u>(10,941.52)</u>	<u>(27,261.19)</u>

NRG has included in the October, 2007 cost of gas the projected debit of \$27,261.19 in this account as part of its calculation of the required reference price as of October 1, 2007. This projected cost will be replaced with the actual balance in the account when this information is finalized.

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 January 1, 2008 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-2007-0734 Oct. 1, 2007	Proposed Jan. 1, 2008	Difference
PGCVA Reference Price	\$0.326729	\$0.305418	\$(0.021311)
GPRA Recovery	(\$0.001749)	(\$0.002033)	\$(0.000284)
System Gas Supply Cost	<u>\$0.001828</u>	<u>\$0.001828</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.326808	\$0.305213	\$(0.021595)

PGTVA

PGTVA Balance

Based on the current reference price of \$0.019029 per m³, the projected December, 2007 balance in the PGTVA is a credit of \$76,931.09 including a credit of \$3,580.84 in accumulated interest, based on the Board approved short term interest rate. This estimate

1 is based on actual and forecasted costs over this period. The PGTVA credit amounts to a
2 rebate of approximately \$6.76 for a typical residential customer consuming
3 approximately 1,994 m³ per year. These figures are shown on Schedule 10.

4
5 Schedule 11 shows the impact at the end of the twelve-month period beginning January,
6 2008 based on the reference price of \$0.019029 per m³. At the end of December, 2008,
7 the balance in the PGTVA is a credit balance of \$100,234.89, including a credit balance
8 of \$8,206.43 in accumulated interest. This represents a rebate of \$8.93 for a residential
9 customer consuming approximately 2,000 m³ per year.

10
11 The balance in the PGTVA forms part of the distribution delivery rate charged by NRG
12 and, as such, is not impacted by changes in gas costs. NRG is not proposing to change
13 the PGTVA reference price as part of this gas cost proceeding. NRG plans to dispose of
14 the actual balance in the PGTVA at the end of September, 2007 based on final fiscal
15 2007 delivery volumes by way of a one-time rebate to customers based on their actual
16 consumption in fiscal 2007. This is the same approach as approved by the Board in EB-
17 2007-0092 for the actual balance in the PGTVA at the end of September, 2006. NRG
18 expects to file a separate application to clear this balance when all the actual information
19 is available.

20 21 **SUMMARY**

22 In summary, NRG proposes to change the reference price for amounts to be recorded in
23 the Purchased Gas Commodity Variance Account from \$0.326729 by \$0.021311 to
24 \$0.305418 per m³ effective January 1, 2008. This change is shown in Appendix B.

25
26 NRG also proposes to change the gas supply charge from \$0.326808 to \$0.305213 per m³
27 effective January 1, 2008. This change reflects the decrease of \$0.021311 per m³ related
28 to the change in the PGCVA reference price, as described above and a decrease of
29 0.000284 m³ related to the recovery of the GPRA balance, also as described above.
30 These changes apply to all system gas customers served under Rates 1, 2, 3, 4 and 5.

1 There are no other changes to these rate schedules. The proposed rate schedules are
2 attached as Appendix A. The proposed customer notices are attached as Appendix C.

3

4 Schedule 12 provides a residential bill comparison showing the impact of the proposed
5 changes on a year over year basis for the appropriate quarter as well as the annual bill
6 impact of the most recent quarterly change. The annual impact on a customer consuming
7 approximately 2,000 m³ is a reduction of \$43.39.

8

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

TWELVE MONTH PERIOD - JANUARY, 2007 TO DECEMBER, 2007

<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 PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s) (1)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s) (2)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
Actual	January	510,084	1,559,187	0.327148	0.355763	0.028615	44,616.13	(440,779.84)	(1,856.64)	(37,622.13)	42,759.49	(478,401.97)	321.3	4.59%
Actual	February	493,607	1,465,300	0.336864	0.355763	0.018899	27,692.70	(413,087.14)	(1,685.98)	(39,308.11)	26,006.72	(452,395.25)	345.9	4.59%
Actual	March	534,735	1,582,693	0.337864	0.355763	0.017899	28,328.62	(384,758.52)	(1,580.06)	(40,888.17)	26,748.56	(425,646.69)	279.4	4.59%
Actual	April	488,678	1,546,888	0.315910	0.365402	0.049492	76,558.57	(308,199.95)	(1,471.70)	(42,359.87)	75,086.87	(350,559.82)	175.0	4.59%
Actual	May	398,689	1,279,893	0.311502	0.365402	0.053900	68,986.24	(239,213.71)	(1,178.86)	(43,538.73)	67,807.38	(282,752.44)	74.6	4.59%
Actual	June	366,082	1,158,510	0.315993	0.365402	0.049409	57,240.84	(181,972.87)	(914.99)	(44,453.72)	56,325.85	(226,426.59)	40.7	4.59%
Actual	July	354,177	1,149,625	0.308080	0.344251	0.036171	41,583.09	(140,389.78)	(696.05)	(45,149.77)	40,887.04	(185,539.55)	37.8	4.59%
Actual	August	432,224	1,426,431	0.303011	0.344251	0.041240	58,825.99	(81,563.79)	(536.99)	(45,686.76)	58,289.00	(127,250.55)	35.1	4.59%
Actual	September	487,974	1,667,269	0.292679	0.344251	0.051572	85,984.37	4,420.58	(311.98)	(45,998.74)	85,672.39	(41,578.16)	40.6	4.59%
Forecast	October	621,281	2,048,464	0.303291	0.326729	0.023438	48,011.89	52,432.47	18.93	(45,979.81)	48,030.82	6,452.66	118.7	5.14%
Forecast	November	571,393	1,825,504	0.313005	0.326729	0.013724	25,053.22	77,485.69	224.59	(45,755.22)	25,277.81	31,730.47	202.7	5.14%
Forecast	December	<u>578,921</u>	<u>1,811,331</u>	<u>0.319611</u>	0.326729	0.007118	<u>12,893.05</u>	<u>90,378.74</u>	<u>331.90</u>	<u>(45,423.32)</u>	<u>13,224.95</u>	<u>44,955.42</u>	<u>321.8</u>	5.14%
	Total	5,837,844	18,521,094	0.315200			575,774.71	90,378.74	(9,657.83)	(45,423.32)	566,116.88	44,955.42	1,993.6	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.002427
Forecast Average Residential Consumption per Customer 1,993.6 M*3
Estimated Impact on Average Residential Customer \$4.84 Customer Rebate

- (1) Includes balance of (485,395.97) as of December, 2006
(2) Includes balance of (35,765.49) as of December, 2006

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

TWELVE MONTH PERIOD - JANUARY, 2007 TO DECEMBER, 2007

	<u>Jan-07</u>	<u>Feb-07</u>	<u>Mar-07</u>	<u>Apr-07</u>	<u>May-07</u>	<u>Jun-07</u>	<u>Jul-07</u>	<u>Aug-07</u>	<u>Sep-07</u>	<u>Oct-07</u>	<u>Nov-07</u>	<u>Dec-07</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	663,705	686,241	720,987	697,529	621,640	521,491	491,372	768,177	817,910	955,515	767,812	718,382	8,430,760
Local Production (B)	32,952	0	0	0	0	0	0	0	0	0	0	0	32,952
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	608,796	549,880	608,796	592,147	392,468	379,808	392,468	392,468	592,147	611,886	592,147	611,886	6,324,898
Western Delivery	253,734	229,179	252,910	257,212	265,785	257,212	265,785	265,785	257,212	481,063	465,545	481,063	3,732,484
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	1,559,187	1,465,300	1,582,693	1,546,888	1,279,893	1,158,510	1,149,625	1,426,431	1,667,269	2,048,464	1,825,504	1,811,331	18,521,094
<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)	0.297103	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	0.338392	0.362758	0.362087	0.327226	0.323951	0.327783	0.324046	0.324046	0.289071	0.293098	0.328162	0.335612	
Western Delivery	0.334690	0.344275	0.346823	0.291178	0.278638	0.290003	0.258651	0.238608	0.235312	0.225165	0.274622	0.288176	
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)	199,908	206,696	217,161	210,096	187,238	157,073	148,001	231,375	246,354	287,801	231,265	216,377	2,539,345
Local Production (B)	9,790	0	0	0	0	0	0	0	0	0	0	0	9,790
Dawn Delivery	0	0	0	0	0	0	0	0	0	27,261	0	0	27,261
Parkway Delivery	206,012	199,473	220,437	193,766	127,140	124,495	127,178	127,178	171,173	179,343	194,320	205,356	2,075,870
Western Delivery	84,922	78,901	87,715	74,894	74,058	74,592	68,746	63,419	60,525	108,319	127,849	138,631	1,042,569
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
TCPL Transportation	<u>9,453</u>	<u>8,538</u>	<u>9,422</u>	<u>9,922</u>	<u>10,253</u>	<u>9,922</u>	<u>10,253</u>	<u>10,253</u>	<u>9,922</u>	<u>18,557</u>	<u>17,958</u>	<u>18,557</u>	<u>143,009</u>
Total	510,084	493,607	534,735	488,678	398,689	366,082	354,177	432,224	487,974	621,281	571,393	578,921	5,837,844

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2008 TO DECEMBER, 2008
(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),(3)	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
January	579,546	1,819,720	0.318481	0.326729	0.008248	15,009.05	105,387.79	387.12	(45,036.20)	15,396.17	60,351.59	355.2	5.14%
February	581,772	1,831,521	0.317644	0.326729	0.009085	16,639.37	122,027.16	451.41	(44,584.79)	17,090.78	77,442.37	293.2	5.14%
March	634,062	2,007,205	0.315893	0.326729	0.010836	21,750.07	143,777.23	522.68	(44,062.11)	22,272.75	99,715.12	246.2	5.14%
April	577,132	1,926,589	0.299561	0.326729	0.027168	52,341.58	196,118.81	615.85	(43,446.26)	52,957.43	152,672.55	186.6	5.14%
May	608,704	2,031,761	0.299594	0.326729	0.027135	55,131.83	251,250.64	840.04	(42,606.22)	55,971.87	208,644.42	89.7	5.14%
June	465,992	1,557,597	0.299173	0.326729	0.027556	42,921.15	294,171.79	1,076.19	(41,530.03)	43,997.34	252,641.76	53.1	5.14%
July	447,887	1,497,839	0.299022	0.326729	0.027707	41,500.62	335,672.41	1,260.04	(40,269.99)	42,760.66	295,402.42	40.9	5.14%
August	536,908	1,793,395	0.299381	0.326729	0.027348	49,045.76	384,718.17	1,437.80	(38,832.19)	50,483.56	345,885.98	42.8	5.14%
September	601,157	2,006,353	0.299627	0.326729	0.027102	54,376.17	439,094.34	1,647.88	(37,184.31)	56,024.05	401,910.03	58.5	5.14%
October	553,495	1,848,464	0.299435	0.326729	0.027294	50,451.97	489,546.31	1,679.54	(35,504.77)	52,131.51	454,041.54	118.7	4.59%
November	588,371	1,835,504	0.320550	0.326729	0.006179	11,341.58	500,887.89	1,872.51	(33,632.26)	13,214.09	467,255.63	202.7	4.59%
December	<u>582,274</u>	<u>1,811,331</u>	<u>0.321462</u>	0.326729	0.005267	<u>9,540.28</u>	<u>510,428.17</u>	<u>1,915.90</u>	<u>(31,716.36)</u>	<u>11,456.18</u>	<u>478,711.81</u>	<u>321.8</u>	4.59%
Total	6,757,302	21,967,278	0.307608			420,049.43	510,428.17	13,706.96	(31,716.36)	433,756.39	478,711.81	2,009.4	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.021792
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$43.79 Customer Rebate

(1) Includes Dec., 2007 year-to-date balance of \$90,378.74 (See Schedule 2)
(2) Includes Dec., 2007 year-to-date balance of (\$45,423.32) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2008 TO DECEMBER, 2008

	<u>Jan-08</u>	<u>Feb-08</u>	<u>Mar-08</u>	<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>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	726,771	809,085	914,256	868,897	938,812	499,905	404,890	700,446	948,660	755,515	777,812	718,382	9,063,431
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	611,886	572,409	611,886	592,147	611,886	592,147	611,886	611,886	592,147	611,886	592,147	611,886	7,224,199
Western Delivery	481,063	450,027	481,063	465,545	481,063	465,545	481,063	481,063	465,545	481,063	465,545	481,063	5,679,647
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	1,819,720	1,831,521	2,007,205	1,926,589	2,031,761	1,557,597	1,497,839	1,793,395	2,006,353	1,848,464	1,835,504	1,811,331	21,967,278

Price (\$/m3)

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	0.336773	0.337260	0.334639	0.291882	0.291882	0.291882	0.291882	0.291882	0.291882	0.291882	0.326552	0.326552	
Western Delivery	0.282747	0.283683	0.281399	0.267696	0.267696	0.267696	0.267696	0.267696	0.267696	0.267696	0.306671	0.306671	
Ontario Delivered Gas	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.290759	0.000000	0.000000	0.000000	

Total Gas Cost (\$)

Local Production (A)	218,903	243,696	275,374	261,712	282,770	150,571	121,953	210,974	285,736	227,561	234,277	216,377	2,729,906
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	206,067	193,051	204,761	172,837	178,598	172,837	178,598	178,598	172,837	178,598	193,367	199,812	2,229,963
Western Delivery	136,019	127,665	135,371	124,625	128,779	124,625	128,779	128,779	124,625	128,779	142,769	147,528	1,578,340
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
TCPL Transportation	<u>18,557</u>	<u>17,360</u>	<u>18,557</u>	<u>17,958</u>	<u>18,557</u>	<u>17,958</u>	<u>18,557</u>	<u>18,557</u>	<u>17,958</u>	<u>18,557</u>	<u>17,958</u>	<u>18,557</u>	<u>219,093</u>
Total	579,546	581,772	634,062	577,132	608,704	465,992	447,887	536,908	601,157	553,495	588,371	582,274	6,757,302

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NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2008 TO DECEMBER, 2008
(WITH CHANGE IN REFERENCE PRICE)

<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s)</u> (1)	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s)</u> (2)	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
January	579,546	1,819,720	0.318481	0.305418	(0.013063)	(23,771.00)	66,607.74	387.12	(45,036.20)	(23,383.88)	21,571.54	355.2	5.14%
February	581,772	1,831,521	0.317644	0.305418	(0.012226)	(22,392.17)	44,215.57	285.30	(44,750.90)	(22,106.87)	(535.33)	293.2	5.14%
March	634,062	2,007,205	0.315893	0.305418	(0.010475)	(21,025.47)	23,190.10	189.39	(44,561.51)	(20,836.08)	(21,371.41)	246.2	5.14%
April	577,132	1,926,589	0.299561	0.305418	0.005857	11,284.03	34,474.13	99.33	(44,462.18)	11,383.36	(9,988.05)	186.6	5.14%
May	608,704	2,031,761	0.299594	0.305418	0.005824	11,832.97	46,307.10	147.66	(44,314.52)	11,980.63	1,992.58	89.7	5.14%
June	465,992	1,557,597	0.299173	0.305418	0.006245	9,727.20	56,034.30	198.35	(44,116.17)	9,925.55	11,918.13	53.1	5.14%
July	447,887	1,497,839	0.299022	0.305418	0.006396	9,580.18	65,614.48	240.01	(43,876.16)	9,820.19	21,738.32	40.9	5.14%
August	536,908	1,793,395	0.299381	0.305418	0.006037	10,826.72	76,441.20	281.05	(43,595.11)	11,107.77	32,846.09	42.8	5.14%
September	601,157	2,006,353	0.299627	0.305418	0.005791	11,618.79	88,059.99	327.42	(43,267.69)	11,946.21	44,792.30	58.5	5.14%
October	553,495	1,848,464	0.299435	0.305418	0.005983	11,059.36	99,119.35	336.83	(42,930.86)	11,396.19	56,188.49	118.7	4.59%
November	588,371	1,835,504	0.320550	0.305418	(0.015132)	(27,774.85)	71,344.50	379.13	(42,551.73)	(27,395.72)	28,792.77	202.7	4.59%
December	<u>582,274</u>	<u>1,811,331</u>	<u>0.321462</u>	0.305418	(0.016044)	<u>(29,060.99)</u>	<u>42,283.51</u>	<u>272.89</u>	<u>(42,278.84)</u>	<u>(28,788.10)</u>	<u>4.67</u>	<u>321.8</u>	4.59%
Total	6,757,302	21,967,278	0.307608			(48,095.23)	42,283.51	3,144.48	(42,278.84)	(44,950.75)	4.67	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 Rebate

(1) Includes Dec., 2007 year-to-date balance of \$90,378.74 (See Schedule 2)
(2) Includes Dec., 2007 year-to-date balance of (\$45,423.32) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

GAS PURCHASE REBALANCING ACCOUNT

JANUARY, 2007 THROUGH DECEMBER, 2008

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=KxD	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
January	1,559,187	3,208,819	442,926	2,765,893	0	2,765,893	(1,206,706)	(288,843)	0.355763	0.00	(0.004299)	(11,890.57)	64,248.87	291.23	10,993.53	75,242.40	4.59%
February	1,465,300	3,494,588	541,067	2,953,521	0	2,953,521	(1,488,221)	(1,777,064)	0.355763	0.00	(0.004299)	(12,697.19)	51,551.68	245.75	11,239.28	62,790.96	4.59%
March	1,582,693	2,752,036	401,274	2,350,762	0	2,350,762	(768,069)	(2,545,134)	0.355763	(24,532.54)	(0.004299)	(10,105.93)	16,913.21	197.19	11,436.47	28,349.68	4.59%
April	1,546,888	1,810,234	275,136	1,535,098	0	1,535,098	11,790	(2,533,344)	0.365402	0.00	(0.001259)	(1,932.69)	14,980.52	64.69	11,501.16	26,481.68	4.59%
May	1,279,893	882,043	150,385	731,658	0	731,658	548,235	(1,985,109)	0.365402	0.00	(0.001259)	(921.16)	14,059.36	57.30	11,558.46	25,617.82	4.59%
June	1,158,510	519,838	94,963	424,875	0	424,875	733,635	(1,251,473)	0.365402	26,469.91	(0.001259)	(534.92)	39,994.35	53.78	11,612.24	51,606.59	4.59%
July	1,149,625	500,005	63,249	436,756	0	436,756	712,869	(538,604)	0.344251	0.00	(0.002184)	(953.88)	39,040.47	152.98	11,765.22	50,805.69	4.59%
August	1,426,431	888,804	16,705	872,099	0	872,099	554,332	15,727	0.344251	0.00	(0.002184)	(1,904.66)	37,135.81	149.33	11,914.55	49,050.36	4.59%
September	1,667,269	1,341,025	56,830	1,284,195	0	1,284,195	383,074	398,801	0.344251	(6,987.79)	(0.002184)	(2,804.68)	27,343.34	142.04	12,056.59	39,399.93	4.59%
October	2,048,464	2,022,583	213,750	1,808,833	0	1,808,833	239,631	638,432	0.326729	0.00	(0.001749)	(3,163.65)	24,179.69	117.12	12,173.71	36,353.40	5.14%
November	1,825,504	2,906,513	224,088	2,682,425	0	2,682,425	(856,921)	(218,489)	0.326729	0.00	(0.001749)	(4,691.56)	19,488.13	103.57	12,277.28	31,765.41	5.14%
December	1,811,331	2,494,215	200,920	2,293,295	0	2,293,295	(481,964)	(700,453)	0.326729	14,927.36	(0.001749)	(4,010.97)	30,404.52	83.47	12,360.75	42,765.27	5.14%
January	1,819,720	3,208,819	193,262	3,015,557	0	3,015,557	(1,195,837)	(1,896,291)	0.305418	0.00	(0.002033)	(6,130.63)	24,273.89	130.23	12,490.98	36,764.87	5.14%
February	1,831,521	3,494,588	243,443	3,251,145	0	3,251,145	(1,419,624)	(3,315,915)	0.305418	0.00	(0.002033)	(6,609.58)	17,664.31	103.97	12,594.95	30,259.26	5.14%
March	2,007,205	2,752,036	188,070	2,563,966	0	2,563,966	(556,761)	(3,872,676)	0.305418	0.00	(0.002033)	(5,212.54)	12,451.77	75.66	12,670.61	25,122.38	5.14%
April	1,926,589	1,810,234	116,125	1,694,109	0	1,694,109	232,480	(3,640,196)	0.305418	0.00	(0.002033)	(3,444.12)	9,007.65	53.34	12,723.95	21,731.60	5.14%
May	2,031,761	882,043	56,171	825,872	0	825,872	1,205,889	(2,434,307)	0.305418	0.00	(0.002033)	(1,679.00)	7,328.65	38.58	12,762.53	20,091.18	5.14%
June	1,557,597	519,838	25,649	494,189	0	494,189	1,063,408	(1,370,899)	0.305418	0.00	(0.002033)	(1,004.69)	6,323.96	31.39	12,793.92	19,117.88	5.14%
July	1,497,839	500,005	17,278	482,727	0	482,727	1,015,112	(355,787)	0.305418	0.00	(0.002033)	(981.38)	5,342.58	27.09	12,821.01	18,163.59	5.14%
August	1,793,395	888,804	17,609	871,195	0	871,195	922,200	566,413	0.305418	0.00	(0.002033)	(1,771.14)	3,571.44	22.88	12,843.89	16,415.33	5.14%
September	2,006,353	1,341,025	57,952	1,283,073	0	1,283,073	723,280	1,289,692	0.305418	0.00	(0.002033)	(2,608.49)	962.95	15.30	12,859.19	13,822.14	5.14%
October	1,848,464	2,022,583	213,750	1,808,833	0	1,808,833	39,631	1,329,323	0.305418	0.00	(0.002033)	(3,677.36)	(2,714.41)	3.68	12,862.87	10,148.46	4.59%
November	1,835,504	2,906,513	224,088	2,682,425	0	2,682,425	(846,921)	482,402	0.305418	0.00	(0.002033)	(5,453.37)	(8,167.78)	(10.38)	12,852.49	4,684.71	4.59%
December	1,811,331	2,494,215	200,920	2,293,295	0	2,293,295	(481,964)	438	0.305418	0.00	(0.002033)	(4,662.27)	(12,830.05)	(31.24)	12,821.25	(8.80)	4.59%

(1) Includes balance of 917,863 as of Dec., 2006
(2) Includes balance of 76,139.44 as of Dec., 2006
(3) Includes balance of 10,702.30 as of Dec., 2006

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS TRANSPORTATION VARIANCE ACCOUNT - PROJECTED BALANCE

TWELVE MONTH PERIOD - JANUARY, 2007 TO DECEMBER, 2007

<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	January	38,720	3,092,422	0.012521	0.019029	0.006508	20,125.48	67,980.72	183.05	360.22	20,308.53	68,340.94	321.3
Actual	February	41,321	3,747,170	0.011027	0.019029	0.008002	29,984.85	97,965.57	260.03	620.25	30,244.88	98,585.82	345.9
Actual	March	36,556	2,633,200	0.013883	0.019029	0.005146	13,550.45	111,516.02	374.72	994.97	13,925.17	112,510.99	279.4
Actual	April	33,491	1,901,464	0.017613	0.019029	0.001416	2,692.47	114,208.49	426.55	1,421.52	3,119.02	115,630.01	175
Actual	May	29,503	814,733	0.036212	0.019029	(0.017183)	(13,999.56)	100,208.93	436.85	1,858.37	(13,562.71)	102,067.30	74.6
Actual	June	28,755	528,074	0.054453	0.019029	(0.035424)	(18,706.49)	81,502.44	383.30	2,241.67	(18,323.19)	83,744.11	40.7
Actual	July	28,738	493,332	0.058253	0.019029	(0.039224)	(19,350.46)	62,151.98	311.75	2,553.42	(19,038.71)	64,705.40	37.8
Actual	August	29,226	873,928	0.033442	0.019029	(0.014413)	(12,595.92)	49,556.06	237.73	2,791.15	(12,358.19)	52,347.21	35.1
Actual	September	31,473	1,401,273	0.022460	0.019029	(0.003431)	(4,807.77)	44,748.29	189.55	2,980.70	(4,618.22)	47,728.99	40.6
Forecast	October	31,704	1,586,076	0.019989	0.019029	(0.000960)	(1,522.63)	43,225.66	191.67	3,172.37	(1,330.96)	46,398.03	118.7
Forecast	November	36,323	2,377,188	0.015280	0.019029	0.003749	8,912.08	52,137.74	185.15	3,357.52	9,097.23	55,495.26	202.7
Forecast	December	<u>40,689</u>	<u>3,252,953</u>	<u>0.012508</u>	0.019029	0.006521	<u>21,212.51</u>	<u>73,350.25</u>	<u>223.32</u>	<u>3,580.84</u>	<u>21,435.83</u>	<u>76,931.09</u>	<u>321.8</u>
	Total	406,499	22,701,812	0.017906			25,495.01	73,350.25	3,403.67	3,580.84	28,898.68	76,931.09	1,993.6

PGTVA Balance per M*3 Purchased (\$/M*3) \$0.003389
Forecast Average Residential Consumption per Customer 1,993.6 M*3
Estimated Impact on Average Residential Customer \$6.76 Customer Rebate

- (1) Includes balance of 47,855.24 as of December, 2006 and reflects clearance of Fiscal 2006 year-end balances in EB-2007-0092.
(2) Includes balance of 177.17 as of December, 2006 and reflects clearance of Fiscal 2006 year-end balances in EB-2007-0092.

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS TRANSPORTATION VARIANCE ACCOUNT - PROJECTED BALANCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2008 TO DECEMBER, 2008
(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)
January	41,775	3,433,724	0.012166	0.019029	0.006863	23,565.65	96,915.90	314.18	3,895.02	23,879.83	100,810.92	355.2
February	39,845	3,112,506	0.012802	0.019029	0.006227	19,381.57	116,297.47	415.12	4,310.14	19,796.69	120,607.61	293.2
March	37,185	2,661,151	0.013973	0.019029	0.005056	13,454.78	129,752.25	498.14	4,808.28	13,952.92	134,560.53	246.2
April	33,237	1,790,026	0.018568	0.019029	0.000461	825.20	130,577.45	555.77	5,364.05	1,380.97	135,941.50	186.6
May	28,910	954,939	0.030274	0.019029	(0.011245)	(10,738.29)	119,839.16	559.31	5,923.36	(10,178.98)	125,762.52	89.7
June	29,030	541,121	0.053647	0.019029	(0.034618)	(18,732.53)	101,106.63	513.31	6,436.67	(18,219.22)	107,543.30	53.1
July	28,994	438,724	0.066088	0.019029	(0.047059)	(20,645.91)	80,460.72	433.07	6,869.74	(20,212.84)	87,330.46	40.9
August	29,200	777,297	0.037566	0.019029	(0.018537)	(14,408.75)	66,051.97	344.64	7,214.38	(14,064.11)	73,266.35	42.8
September	30,225	1,239,825	0.024378	0.019029	(0.005349)	(6,631.82)	59,420.15	282.92	7,497.30	(6,348.90)	66,917.45	58.5
October	32,993	1,625,687	0.020295	0.019029	(0.001266)	(2,058.12)	57,362.03	227.28	7,724.58	(1,830.84)	65,086.61	118.7
November	37,316	2,552,188	0.014621	0.019029	0.004408	11,250.04	68,612.07	219.41	7,943.99	11,469.45	76,556.06	202.7
December	<u>41,778</u>	<u>3,425,953</u>	<u>0.012194</u>	0.019029	0.006835	<u>23,416.39</u>	<u>92,028.46</u>	<u>262.44</u>	<u>8,206.43</u>	<u>23,678.83</u>	<u>100,234.89</u>	<u>321.8</u>
Total	410,486	22,553,141	0.018201			18,678.21	92,028.46	4,625.59	8,206.43	23,303.80	100,234.89	2,009.4

PGTVA Balance per M*3 Purchased (\$/M*3) \$0.004444
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$8.93 Customer Rebate

(1) Includes Dec., 2007 year-to-date balance of \$73,350.25 (See Schedule 10)
(2) Includes Dec., 2007 year-to-date balance of \$3,580.84 (See Schedule 10)

NATURAL RESOURCE GAS LIMITED

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jan-07 <u>EB-2006-0503</u>	Quarter Starting 01-Jan-08 <u>EB-2007-0927</u>	\$ <u>Change</u>	Percent <u>Change</u>
Average Residential Consumption for Quarter	894.6	894.6		
Monthly Charges	\$34.50	\$34.50	\$0.00	0.0%
Delivery Charges	\$136.87	\$136.87	\$0.00	0.0%
Total Commodity Charges	<u>\$323.42</u>	<u>\$273.04</u>	<u>(\$50.37)</u>	<u>-15.6%</u>
Total Customer Charges	\$494.79	\$444.42	(\$50.37)	-10.2%

ANNUAL BILL IMPACT

	01-Oct-07 <u>EB-2007-0734</u>	01-Jan-08 <u>EB-2007-0927</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>\$656.69</u>	<u>\$613.30</u>	<u>(\$43.39)</u>	<u>-6.6%</u>
Total Customer Charges	\$1,102.12	\$1,058.73	(\$43.39)	-3.9%

RATES USED

	01-Jan-07 <u>EB-2006-0503</u>	01-Oct-07 <u>EB-2007-0734</u>	01-Jan-08 <u>EB-2007-0927</u>
Monthly charge	11.50	11.50	11.50
Delivery Charge	0.152999	0.152999	0.152999
Total Commodity Charge	0.361522	0.326808	0.305213

**APPENDIX “A” TO
DECISION AND ORDER
BOARD FILE No. EB-2007-0927
DATED DECEMBER XX, 2007**

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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-2007-0927)	30.5418 cents per m3
GPRA Recovery Rate	(EB-2007-0927)	(0.2033) cents per m3
System Gas Fee	(EB-2005-0544)	<u>0.1828</u> cents per m3
Total Gas Supply Charge		30.5213 cents per m3

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

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: January 01, 2008

Implementation: All bills rendered on or after January 01, 2008

EB-2007-0927

**APPENDIX “B” TO
DECISION AND ORDER
BOARD FILE No. EB-2007-0927
DATED DECEMBER XX, 2007**

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 \$0.305418 per m³ approved for rate making purposes effective January 1, 2008.

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-2007-0927
DATED DECEMBER XX, 2007**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

On all bills rendered by NRG on or after January 1, 2008, the price we charge for the gas commodity and transportation portion of your bill will be decreasing by \$0.021595 per cubic meter to \$0.305213 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 December, 2008. 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 \$43 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.