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Toronto, December 29, 2010

Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Walli:

**RE: Natural Resource Gas Limited ("NRG")
2011 Rates Application (EB-2010-0018)
Draft Rate Order**

Further to the Board Decision and Order dated December 6, 2010 in the above-noted matter, NRG is submitting its Draft Rate Order materials, which consists of the following:

NRG's Draft Rate Order includes documentation on the implementation of the Board's Decision and the following attachments:

Attachment A	Draft Rate Schedules
Attachment B	Revenue Requirement and Revenue Deficiency Continuity
Attachment C	Allocation of the Revenue Requirement to Customer Classes
Attachment D	Estimated Bill Impacts
Attachment E	Derivation of Authorized Rate Riders
Attachment F	Draft Accounting Orders

The remainder of this letter summarizes a number of items, including: the effective date of implementation, changes to the Rate Base and the Cost of Service, the quantification of the revenue deficiency, the implementation of authorized deferral accounts, as well as the quantification of authorized rate riders.

Effective Date of Implementation

NRG requests that changed rates be implemented February 1, 2011. NRG is of the view that this is the earliest possible implementation date that will accommodate the Board's Draft Rate Order review process. The foregone revenue rate rider has been derived assuming this implementation date.

Rate Base

At page 5 of its Decision, the Board determined that the pipeline servicing IGPC should be closed to the rate base as of August 1, 2008. The net impact of closing the IGPC pipeline as of August 1, 2008 translates in a reduction of the 2011 rate base in the amount of \$40,167. This amount is estimated by applying the 5% depreciation factor to the revised gross value of the IGPC pipeline, being \$4,820,04, and prorating for the two months authorized by the Board.

As discussed in the next section, NRG's recoverable OM&A costs are reduced by \$81,632 to \$2,629,207. This leads to a decrease of \$2,758 in working cash allowance included in the 2011 rate base.

Cost of Service

The Board Decision disallowed NRG's proposed recovery of costs for business interruption insurance, being \$25,580. The total insurance cost is therefore \$259,345 versus the \$284,925 proposed by NRG. The Board's Decision further directed NRG to include only 50% of the MIG Engineering Ltd. costs for maintenance on the IGPC pipeline and to record the remaining 50% in a deferral account. This ruling decreased the proposed OM&A by \$56,052.

The combined impact of these two Board rulings reduces total OM&A by \$81,635. NRG's total OM&A expenses are thus decreased to \$2,629,207.

Income Tax

NRG has re-estimated its 2011 Income Tax expense recoverable through rates.

Cost of Capital and Capital Structure

The Board authorized a new hypothetical capital structure of 40% equity, 56% long-term debt and 4% short-term debt. Further, the Board allowed an ROE of 9.85% (compared to the 10.35% applied for by NRG).

Cost of Capital Component	Settlement	Change	Final
Allowed RoE	10.35%	-0.50%	9.85%
<i>Weighting</i>	<i>42.00%</i>	<i>-2.00%</i>	<i>40.00%</i>
Cost of Long Term Debt	6.69%	0.98%	7.67%
<i>Weighting</i>	<i>72.80%</i>	<i>-16.80%</i>	<i>56.00%</i>
Cost of Compensating Balance	0.50%	-0.50%	0.00%
<i>Weighting</i>	<i>-14.80%</i>	<i>14.80%</i>	<i>0.00%</i>
Cost of Deemed Short Term Debt	0.50%	1.57%	2.07%
<i>Weighting</i>	<i>0.03%</i>	<i>3.97%</i>	<i>4.00%</i>
Total Cost of Capital	9.14%		8.32%

Revenue Deficiency

Changes to the Rate Base and to the Cost of Service result in a revised Gross Revenue Sufficiency of \$13,771. Further information is provided at Attachment B.

Proposed Rates

In developing this draft Rate Order, an error with respect to the volumes allocated to the various tiers in rate classes 1, 2 and 4 and to the estimated Rate 3 Demand was noted. These have been adjusted to be consistent with the volumes underlying the revenues recovered through current rates. No change has been made to the volume throughput forecast.

Deferral and Variance Accounts

Attachment F provides the three accounting orders necessary to implement the three new deferral accounts approved by the Board.

Rate Riders

The Board's Decision and Order authorizes NRG to charge three rate riders that will dispose of:

- The over-recovery of \$95,941 of System Gas Commodity costs;
- The net balance recorded in the PGTV and REDA deferral accounts, being a \$29,385 credit; and
- The computed forgone distribution revenue associated with the October 1, 2010 to January 31, 2011 period, being a \$57,218 debit.

The proposed rate riders are discussed further below, details on their derivation are provided at Attachment E.

System Gas Over-Recovery Rate Rider

NRG estimated a Rate Rider that is expected to return to System Gas customers the over-recovery of \$95,941. It was computed by dividing the amount to be disposed of by the sum of expected System Gas volumes in the period February, 2011 to September, 2011. The proposed rate rider is to be applied to System Gas deliveries.

PGTV and REDA Balance Disposition

The net balance recorded in these accounts was provided at Exhibit D1/Tab7/Schedule2, updated August 18, 2010. That exhibit disclosed the balance and associated carrying costs to be recovered and appropriately assigned responsibility to each customer class. NRG proposes to dispose of these balances through a rate rider that will be applied on a per customer basis. This disposition mechanism is considered appropriate as it reflects that these are known costs previously incurred and that the underlying costs do not, strictly speaking, vary according to delivery volumes.

Disposition of Computed Forgone Revenue

NRG estimated the forgone revenue as follows:

- the difference between existing and proposed rates for each customer class were computed;

- the differences in the fixed monthly charges were applied to the estimated number of customers for the October 2010 to January 2011 period to estimate the Fixed Rate foregone revenue;
- the differences in the variable rates were applied to the estimated volumetric charge parameters for the October 2010 to January 2011 period to estimate the Variable Rate foregone revenue;
- the computed Forgone Fixed Rate Revenue was added to the computed Forgone Variable Rate Revenue for each customer class.

The proposed rate rider was computed by dividing the computed Forgone Revenue by the average number of customers in each class for the February 2011 to September 2011 period. A fixed per customer rate rider is considered appropriate because the Forgone Revenue arises from the delay in changes to the Fixed Monthly Charges.

Bill Impacts

NRG estimates that an average residential customer will experience a 5.9% bill increase due to the changes in distribution rates, the first such increase in over five years. Please note that NRG has not performed bill impacts for the foregone revenue rate rider as well as for the gas refund rider. Further detail on the estimated bill impacts is provided at Attachment D.

Draft Accounting Orders

The OEB authorized the continuation of the following variance and deferral accounts:

- Purchased Gas Commodity Variance Account;
- Purchased Gas Transportation Variance Account;
- Gas Purchase Rebalancing Account; and
- Regulatory Expense Deferral Account.

The Board authorized the creation of three new deferral accounts:

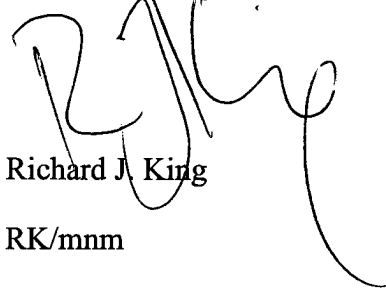
- The Transportation Service Revenue Deferral Account;
- The International Financial Reporting Standard Account Deferral Account; and
- The IGPC Pipeline Maintenance Deferral Account.

Attachment F provides the draft accounting orders consistent with the Board's Decision.

Transportation Service Charges

NRG will charge NRG Corp a Transportation Service Fee of \$0.95/mcf and an Administrative Charge of \$250/month (for months such services are provided). The revenues collected through these charges will be recorded in the Transportation Service Revenue Deferral Account.

Yours very truly,



Richard J. King

RK/mnm

Enclosure

c.c. Jack Howley (NRG)
Laurie O'Meara (Ayerswood)
Kathi Litt (ERA)
Heather Adams (Town of Aylmer)
Phil Tunley (Counsel to Town of Aylmer)
Paula Zarnett (IGPC)
Scott Stoll (Counsel to IGPC)
Patrick McMahon (Union Gas Limited)
James Wightman (VECC)
Michael Buonaguro (Counsel to VECC)
Khalil Viraney (Ontario Energy Board)

Attachment A
Draft Rate Schedules

NATURAL RESOURCE GAS LIMITED

PROPOSED RATE TARIFFS

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

All customers.

Rate

a)	Monthly Fixed Charge	\$13.50
b)	Delivery Charge	
	First 1,000 m ³ per month	15.5753 cents per m ³
	All over 1,000 m ³ per month	11.1878 cents per m ³
c)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A
d)	Rate Riders	
	Forgone Revenue Rate Rider - effective until September 30, 2011	\$ 1.60/customer
	PGTVA/REDA Rate Rider - effective until September 30, 2011	\$ 0.92/customer
	System Gas Over-Recovery Rate Rider - effective until September 30, 2011	\$ (0.009621)/m ³
	Applies to System Gas Supply deliveries	

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: October 01, 2010

Implementation: All bills rendered on or after February 1, 2011

EB-2010-0018

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	\$15.00	\$15.00
Rate Rider for Foregone Revenue - effective until September 30, 2011	\$0.91	\$0.91
Rate Rider for PGTVA/REDA effective until September 30, 2011	\$5.79	\$5.79
b) Delivery Charge		
First 1,000 m ³ per month	14.7900 cents per m ³	18.9361 cents per m ³
Next 24,000 m ³ per month	10.3444 cents per m ³	17.1242 cents per m ³
All over 25,000 m ³ per month	6.7380 cents per m ³	16.6811 cents per m ³
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A
d) Rate Riders		
Forgone Revenue Rate Rider - effective until September 30, 2011		\$ 1.67/customer
PGTVA/REDA Rate Rider - effective until September 30, 2011		\$ 5.79/customer
System Gas Over-Recovery Rate Rider - effective until September 30, 2011		\$ (0.009621)/m ³
Applies to System Gas Supply deliveries		

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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018

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 27.3817 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 10.9612 cents per m³ and not to be less than 7.9412 per m³.

- d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) 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.

- f) Rate Riders
- | | |
|--|------------------------------|
| Rate Rider for Foregone Revenue effective until September 30, 2011 | \$47.94/customer |
| Rate Rider for PGTVA/REDA effective until September 30, 2011 | \$ 3.25/customer |
| System Gas Over-Recovery Rate Rider - effective until September 30, 2011 | \$ (0.009621)/m ³ |
- Applies to System Gas Supply deliveries

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 3.1530 cents per m³ for firm gas and 5.4412 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 5.7163 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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018

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	\$15.00	\$15.00
b) Delivery Charge		
First 1,000 m ³ per month	14.4487 cents per m ³	18.5629 cents per m ³
All over 1,000 m ³ per month	10.3467 cents per m ³	16.6237 cents per m ³
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A
d) Rate Riders		
Rate Rider for Foregone Revenue - effective until September 30, 2011		\$1.10/customer
Rate Rider for PGTVA/REDA - effective until September 30, 2011		\$2.52/customer
System Gas Over-Recovery Rate Rider - effective until September 30, 2011		\$(0.009621)/m ³
Applies to System Gas Supply deliveries		

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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018

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) Monthly Fixed Charge \$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 8.4612 cents per m³ and not to be less than 5.4612 per m³.

c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) 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.

- e) Rate Riders
- | | |
|--|-----------------------------|
| Rate Rider for Foregone Revenue effective until September 30, 2011 | \$62.38/customer |
| Rate Rider for PGTV/REDA effective until September 30, 2011 | \$25.58/customer |
| System Gas Over-Recovery Rate Rider - effective until September 30, 2011 | \$(0.009621)/m ³ |
- Applies to System Gas Supply deliveries

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 5.6702 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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018

NATURAL RESOURCE GAS LIMITED

RATE 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility

Rate Availability

Rate 6 is available to the Integrated Grain Processors Co-Operative, Aylmer Ethanol Production Facility only.

Eligibility

Integrated Grain Processors Co-Operative's ("IGPC") ethanol production facility located in the Town of Aylmer

Rate

1. Bills will be rendered monthly and shall be the total of:

a) Monthly Customer Charge of \$150.00 for firm services

b) A Monthly Demand Charge:

A Monthly Demand Charge of 17.2991 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 IGPC not to exceed 10.9612 cents per m³ and not to be less than 7.9412 per m³.

d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) 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, IGPC 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 IGPC on such day, or if, on any day, IGPC fails to comply with any curtailment notice reducing IGPC'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 6 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, IGPC 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.

f) Rate Riders

Rate Rider for Foregone Revenue effective until September 30, 2011

\$(4,482.19) /customer

Rate Rider for PGTVA/REDA effective until September 30, 2011	\$(18,213.13) /customer
System Gas Over-Recovery Rate Rider - effective until September 30, 2011	\$(0.009621)/m ³
Applies to System Gas Supply deliveries	

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 IGPC is willing to contract;
- b) The load factor of IGPC's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which IGPC is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions;
- d) Competition.

3. In each contract year, IGPC shall take delivery from the company, or in any event pay for it if available and not accepted by the IGPC, 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 3.1530 cents per m³ for firm gas and 5.4412 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 IGPC 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 5.7163 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 IGPC elects under this rate schedule to directly purchase its gas from a supplier other than NRG, IGPC or its 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 IGPC if it elects said Bundled T transportation service.

Unless otherwise authorized by NRG, IGPC, when 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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018

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, 5 and 6.

Rate

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

PGCVA Reference Price	(EB-2010-0366)	22.8146 cents per m ³
GPRA Recovery Rate	(EB-2010-0366)	(0.4427) cents per m ³
System Gas Fee	(EB-2010-0018)	<u>0.0358</u> cents per m ³
Total Gas Supply Charge		<u>22.4077</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Deferral and Variance Accounts

Rate Rider for System Gas Refund effective until September 30, 2011 (0.9621) cents per m³

Effective: January 01, 2011

Implementation: All bills rendered on or after February 01, 2011

EB-2010-0018/ EB-2010-0366

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: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

NATURAL RESOURCE GAS LIMITED

Transmission Service

Availability

Transmission Service charges shall be applied to Natural Resource Gas Corp.

Eligibility

Only Natural Resource Gas Corp. shall be charged the Transmission Service Rate. Fees and Charges will be applied only in those months that NRG Corp. delivers gas to a delivery point on NRG's system.

Rate

Administrative Charge	\$250/month
Transportation Rate	\$ 0.95/mcf

Effective: October 01, 2010

Implementation: All bills rendered on or after February 01, 2011

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

On all bills rendered by NRG on or after February 1, 2011, the price we charge for the distribution of natural gas will change. The Ontario Energy Board (OEB) has approved this change to reflect the costs that NRG expects to incur to provide delivery service.

How will this price change 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 rate change will cause your annual heating costs to increase by approximately 4% or \$18 per year.

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.

Attachment B

**Revenue Requirement and
Revenue Deficiency Continuity Schedules**

Natural Resource Gas Limited
EB-2010-0018: 2011 Rates
Net Deficiency Continuity

	Feb 1 Filing	Change	Update	Change	Settlement Agreement	Change	OEB D&O
Revenue							
Distribution Revenue	5,480,613	-	5,480,613	4,194	5,484,808	0	5,484,808
Ancillary Service Revenue	641,948	22,212 (1)	664,160	187,708	851,867	0	851,867
Total	6,122,561	22,212	6,144,773	191,902	6,336,675	0	6,336,675
Costs							
Union Transmission	733,850	- 1,520 (2)	732,331	30	732,360	0	732,360
OM&A	2,874,860	- 15,562 (3)	2,859,299	-148,460	2,710,839	-81,632 (9)	2,629,207
Depreciation	1,200,009	6,514 (4)	1,206,523	-23,591	1,182,932	-11,347 (10)	1,171,585
Property Tax	421,250	- 20,474 (5)	400,776	0	400,776	0	400,776
Income Tax	50,052	200	50,252	163,535	213,787	42,650	256,437
Total	5,280,022	- 30,841	5,249,180	-8,487	5,240,694	- 50,329	5,190,365
Utility Income	842,539	53,053	895,593	200,389	1,095,981	50,329	1,146,310
Check	842,539		895,593				
Cost of Capital							
Allowed RoE	10.25%	0.10% (6)	10.35%	0	0.1035	-0.0050	0.0985
Weighting	42.00%		42.00%	0	0.4200	-0.0200	0.4000
Cost of Long Term Debt	6.17%	0.52% (7)	6.69%	0	0.0669	0.0098	0.0767
Weighting	74.64%		72.80%	0	0.7280	-0.1680	0.5600
Cost of Compensating Balan	0.50%	0.00%	0.50%	0	0.0050	-0.0050	0.0000
Weighting	-16.60%		-14.80%	0	-0.1480	0.1480	0.0000
Cost of Deemed Short Term	0.50%	0.00% (8)	0.50%	0	0.0050	0.0157	0.0207
Weighting	0.02%		0.03%	0	0.0003	0.0397	0.0400
Total Cost of Capital	8.83%		9.14%	0	9.14%		8.32%

(11)

Rate Base					
Total	13,274,579				-226,941 (12)
Gross PPE					
Franchises		65,696			
Plastic Mains		55,750			
Franchise Amortization		- 4,734			
Plastic Mains Amortization		117,909			
Disposition Adjustment	96,968				
HWH Disposition Adjustment Impact on Acc	- 52,525				
Security Deposits		148,742	94,703		
Inventory		1,007			
Working Cash		6,991			-2,758 (13)
Accumulated Depreciation					-40,167 (14)
All Other Changes		5,322	202,581	28,846	
		344,158	297,284	-	
Revised Total		13,618,731			13,685,036
Deficiency					
Total Revenue	6,122,561	22,212	- 6,144,773	191,902	6,336,675
Cost of Service	5,280,022	- 30,841	- 5,249,180	-8,487	5,240,694 - 50,329
Utility Income	842,539	53,053	895,593	200,389	1,095,981 50,329
Rate Base	13,274,579	344,152	13,618,731	297,284	13,916,015
Cost of Capital	8.83%	0.32%	9.14%	-0.09%	-0.73%
Return	1,171,772	73,432	1,245,204	14,195	1,259,399 - 121,913
Net Deficiency	- 329,233	- 20,379	- 349,612	186,194	163,418
Tax on Net Deficiency	- 105,547	- 7,258	- 112,805	47,185	65,620
Gross Deficiency	- 434,780	- 27,637	- 462,417	233,379	229,038
					242,810
					13,771

- (1) Adjustment to Accumulated Depreciation to complete accounting entries to reflect Disposition.
- (2) Reflects changes in the Cost of Gas based on updated data.
- (3) Elimination of Business Cessation Insurance from 2010 data, \$259 unexplained variance.
- (4) Net effect of HWH disposition, change in franchises, elimination of double counting of IGPC depreciation.
- (5) Net effect of correction to expense and correcting the formula.
- (6) Reflects OEB increase is Allowed Return for electric LDCs.
- (7) Impact of increase in floating rate debt
- (8) Impact of adopting OEB authorized Cost of Short Term Debt
- (9) Impact of OEB disallowance of premium for Business Cessation Insurance Policy and deferral of 50% of the costs of the MIG Engineering Maintenance IGPC Pipeline maintenance contract. 81,635
- (10) Impact of Reduction in Gross value of IGPC pipeline by \$229,936 (226,936* .05=11,346)
- (11) Per Decision findings on hypothetical capital structure and authorized cost of capital.
- (12) Changes to the gross value of the IGPC Pipeline.
- (13) Change to Working Cash Allowance associated with non-recovery through rates of Business Cessation Insurance and 50% of MIG Engineering costs.
- (14) Change due to Board finding that the IGPC Pipeline is to be included in Rate Base as of August 1, 2008.
- (15) Change in Accumulated Depreciation to reflect the change in the Gross Value of the IGPC Pipeline plus all other Rate Base changes of \$6,152.

Attachment C
Allocation of the Revenue Requirement
to Customer Classes

1 SHEET 3.3

ANALYSIS OF ALLOCATED COSTS

	Total	RATE 1		RATE 2	RATE 3		RATE 4	RATE 5	RATE 6	Ancillary Services
		Residential	Commercial	Industrial	Seasonal	Firm	Interruptible	Int. Fall	Firm	
4										
5										
6	REVENUES									
7	Current Rates	6,253.3	2,898.0	579.5	75.5	68.4	157.9	0.5	61.5	1,580.6
8	Gas Supply	37.9	23.8	6.3	1.1	0.9	3.5	0.0	0.8	1.5
9	Transportation & Distribution	5,446.9	2,874.3	573.2	74.4	67.5	154.4	0.5	60.7	1,580.6
10	Ancillary Services	768.5								
11										
12	Cost based rates	6,242.1	3,061.6	418.5	105.8	176.9	189.0	0.0	50.4	1,475.6
13	Gas Supply	7.5	4.7	1.2	0.2	0.2	0.7	0.0	0.2	0.3
14	Transportation & Distribution	5,586.4	3,056.9	417.2	105.6	176.7	188.3	0.0	50.2	1,475.6
15	Ancillary Services	648.2								
16										
17	(Deficiency)/Sufficiency	11.2	(163.6)	161.0	(30.2)	(108.5)	(31.1)	0.5	11.1	(53.2)
18	Gas Supply	30.4	19.1	5.0	0.9	0.7	2.8	0.0	0.7	1.2
19	Transportation & Distribution	(139.5)	(182.7)	156.0	(31.1)	(109.2)	(34.0)	0.5	10.5	(54.5)
20	Ancillary Services	120.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21										
22	R/C @ current rates - total	100.18%	94.66%	138.48%	71.42%	38.66%	83.53%	NA	122.10%	54.16%
23	R/C @ current rates - gas supply	506.43%	506.43%	506.43%	506.43%	506.43%	506.43%	NA	506.43%	506.43%
24	R/C @ current rates - distribution	97.50%	94.02%	137.39%	70.53%	38.21%	81.97%	NA	120.84%	52.97%
25	R/C @ current rates - ancillary	118.55%	NA	NA	NA	NA	NA	NA	NA	NA
26										
27	SUMMARY OF COSTS									
28										
29	Total	5,593.9	3,061.6	418.5	105.8	176.9	189.0	0.0	50.4	116.1
30	Supply	99.1	59.4	18.5	2.7	2.3	9.9	0.0	2.1	4.3
31	Demand	1,524.4	859.1	256.3	62.4	74.2	163.3	0.0	17.1	92.1
32	Customer	3,970.4	2,143.1	143.7	40.6	100.4	15.8	0.0	31.2	19.8
33										
34	Costs by Function									
35	Gas Supply	7.5	4.7	1.2	0.2	0.2	0.7	0.0	0.2	0.3
36	Union Transportation									
37	Commodity	167.6	34.9	11.0	1.6	1.3	5.8	0.0	1.2	2.5
38	Demand	564.5	223.9	67.0	16.3	0.5	35.6	0.0	0.0	0.0
39	Distribution									
40	Commodity	33.2	19.8	6.3	0.9	0.8	3.3	0.0	0.7	1.4
41	Demand	1,181.2	635.2	189.2	46.1	73.7	127.7	0.0	17.1	92.1
42	Customer	3,970.4	2,143.1	143.7	40.6	100.4	15.8	0.0	31.2	19.8
43										
44	SUMMARY OF UNIT COSTS									
45	Total - \$/m³	0.270132	0.233652	0.101339	0.176868	0.351768	0.086138	0.000000	0.110962	0.122647
46	Supply - \$/m³	0.009518	0.004537	0.004537	0.004537	0.004537	0.004537	0.000000	0.004537	0.004537
47	Demand - \$/m³	0.079590	0.065561	0.062022	0.104383	0.147536	0.074387	0.000000	0.037661	0.097209
48	Cust - \$/m³	0.181024	0.163554	0.034780	0.067948	0.199696	0.007214	0.000000	0.068764	0.020901
49										
50	UNIT COSTS BY FUNCTION									
51										
52	Gas Supply -\$/m³	0.000361	0.000361	0.000361	0.000361	0.000361	0.000361	0.000000	0.000361	0.000000
53										
54	Total Union Transportation	0.033380	0.019748	0.018881	0.029934	0.003583	0.018878	0.000000	0.002662	0.000000
55	Transport Commodity - \$/m³	0.007644	0.002662	0.002662	0.002662	0.002662	0.002662	0.000000	0.002662	0.000000
56	Transport Demand - \$/m³	0.025736	0.017086	0.016218	0.027271	0.000921	0.016215	0.000000	0.000000	0.006620
57										
58										
59	Distribution-\$/m³	0.236391	0.213543	0.082097	0.146573	0.347824	0.066900	0.000000	0.107938	0.119624
60	Commodity - \$/m³	0.001514	0.001514	0.001514	0.001514	0.001514	0.001514	0.000000	0.001514	0.000000
61	Demand - \$/m³	0.053854	0.048476	0.045803	0.077111	0.146615	0.058172	0.000000	0.037661	0.097209
62	Customer - \$/m³	0.181024	0.163554	0.034780	0.067948	0.199696	0.007214	0.000000	0.068764	0.020901
63	Cust - \$/customer/mth	\$46.46	\$27.22	\$28.93	\$80.62	\$114.63	\$329.95	\$0.00	\$113.18	\$329.95
64										\$94,768.58

Attachment D
Estimated Bill Impacts

NATURAL RESOURCE GAS LIMITED

Revenue Deficiency Recovery by Rate Class
2011 Test Year

<u>Revenue Requirement</u>	<u>Current Revenues</u>	<u>Proposed Revenues</u>	<u>Change</u>	<u>Percent Change</u>
Rate 1 Residential	2,898,012	3,076,103	178,091	6.1%
Commercial	579,473	607,753	28,279	4.9%
Industrial	<u>75,543</u>	<u>79,662</u>	<u>4,120</u>	5.5%
Rate 1 Total	3,553,028	3,763,518	210,490	5.9%
Rate 2	68,376	71,200	2,824	4.1%
Rate 3 Firm	157,877	160,158	2,281	1.4%
Interruptible	<u>503</u>	<u>0</u>	<u>-503</u>	-100.0%
Rate 3 Total	158,380	160,158	1,778	1.1%
Rate 4	61,544	61,536	-8	0.0%
Rate 5	62,891	64,320	1,429	2.3%
Rate 6	<u>1,580,588</u>	<u>1,473,019</u>	<u>-107,569</u>	-6.8%
Total	<u>5,484,808</u>	<u>5,593,750</u>	<u>108,943</u>	<u>2.0%</u>

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 1
 2011 Test Year

Gas Throughput Volumes by Block - 10 ³ m ³	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Total
Residential													
Block 1	654.3	1,325.7	2,034.0	2,212.6	1,989.1	1,661.0	960.9	495.9	270.4	235.2	223.0	327.7	12,369.8
Block 2	38.8	78.6	120.7	131.3	116.8	98.5	57.0	29.4	16.0	14.0	13.2	19.4	733.8
Total	693.1	1,404.3	2,154.7	2,343.8	2,085.9	1,759.5	1,017.9	525.3	286.5	249.2	236.2	347.1	13,103.6
Commercial													
Block 1	94.6	186.3	289.5	322.0	285.8	236.4	126.6	66.1	37.2	35.9	32.3	47.5	1,760.2
Block 2	127.5	251.1	390.1	433.8	385.1	318.5	170.5	88.9	50.0	46.4	43.6	64.0	2,371.6
Total	222.1	437.4	679.6	755.8	670.9	554.9	297.1	155.0	87.2	84.3	75.9	111.5	4,131.8
Industrial													
Block 1	17.9	30.1	17.3	14.0	13.1	14.1	9.0	4.5	2.8	2.3	2.1	3.9	131.1
Block 2	53.6	107.5	61.5	49.8	46.6	50.1	32.2	16.2	10.2	8.1	7.3	13.7	466.9
Total	81.5	137.6	78.8	63.8	59.7	64.2	41.2	20.7	13.0	10.4	9.4	17.6	598.0
Customers													
Residential	6,489	6,513	6,518	6,544	6,550	6,563	6,577	6,581	6,594	6,595	6,596	6,599	
Commercial	414	414	414	414	414	414	414	414	414	414	414	414	
Industrial	42	42	42	42	42	42	42	42	42	42	42	42	
Revenues ('000's)													
Residential													
Current	180.0	288.5	402.6	431.7	392.5	343.1	230.4	155.6	119.4	113.7	111.8	128.7	2,898.0
Proposed	194.1	303.2	418.3	447.6	408.2	358.3	244.8	169.4	132.9	127.2	125.3	142.3	3,071.6
% Change													6.0%
Commercial													
Current	32.8	60.1	90.7	100.3	89.6	74.9	42.3	24.4	15.8	15.4	14.4	18.9	579.5
Proposed	34.7	62.8	94.5	104.5	93.4	78.2	44.5	25.9	17.0	16.6	15.5	20.2	607.8
% Change													4.9%
Industrial													
Current	10.0	16.5	9.7	7.9	7.4	8.0	5.3	2.9	2.0	1.7	1.6	2.5	75.5
Proposed	10.5	17.3	10.2	8.3	7.8	8.4	5.6	3.1	2.2	1.8	1.7	2.7	79.7
% Change													5.5%
Total Rate 1													
Current	222.9	365.1	503.0	539.9	489.6	425.9	278.0	182.8	137.2	130.8	127.7	150.1	3,553.0
Proposed	239.2	383.4	523.0	560.5	509.4	444.9	294.9	196.3	152.1	145.7	142.5	165.2	3,759.1
% Change													5.8%

Proposed Rates

Customer Charge	\$11.50 per month
Block 1	\$0.152989 per m ³ first 1,000 m ³
Block 2	\$0.111878 per m ³ over 1,000 m ³
Gas Commodity	\$0.000297 per m ³

Current Rates

Customer Charge	\$11.50 per month
Block 1	\$0.152989 per m ³ first 1,000 m ³
Block 2	\$0.104073 per m ³ over 1,000 m ³
Gas Commodity	\$0.001828 per m ³

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 2
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>
<u>Gas Throughput Volumes by Block - 10*3 m*3</u>													
Block 1	4.9	7.1	2.1	1.9	0.9	1.5	1.5	0.5	0.1	0.1	15.2	30.1	65.8
Block 2	37.4	19.0	5.6	5.0	2.4	4.0	11.3	3.5	0.7	0.8	116.8	230.7	437.1
Block 3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.0)	0.0	(0.0)	0.0	0.0
Total	42.3	26.2	7.6	6.8	3.3	5.5	12.7	3.9	0.8	0.9	132.0	260.8	502.9
<u>Customers</u>	73	73	73	73	73	73	73	73	73	73	73	73	73
<u>Revenues ('000's)</u>													
Current	5.5	5.5	2.3	2.1	1.5	1.9	2.3	1.4	1.0	1.0	15.1	28.9	68.4
Proposed	\$5.70	\$5.70	\$2.44	\$2.30	\$1.68	\$2.07	\$2.48	\$1.52	\$1.18	\$1.19	\$15.46	\$29.48	71.2
% Change													4.2%

<u>Rates</u>	<u>Current Rates</u>		<u>Proposed Rates</u>	
	<u>Off Peak</u>	<u>Peak</u>	<u>Off Peak</u>	<u>Peak</u>
Customer Charge	\$12.75	\$12.75	\$15.00	\$15.00
Block 1	\$0.145000	\$0.185648	\$0.147900	\$0.189361
Block 2	\$0.100431	\$0.166254	\$0.103444	\$0.171242
Block 3	\$0.065417	\$0.161952	\$0.067380	\$0.166811
Gas Commodity	\$0.001828	\$0.001828	0.000297	\$0.000361
			\$0.000361	

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 3
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>
<u>Gas Throughput Volumes - 10*3 m*3</u>													
Firm	128.4	218.3	283.8	307.7	278.9	289.0	177.9	127.8	112.6	117.3	98.5	55.2	2,195.3
Interruptible	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	128.4	218.3	283.8	307.7	278.9	289.0	177.9	127.8	112.6	117.3	98.5	55.2	2,195.3
Firm Demand (m*3 per month)													
	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0	21,411.0
<u>Customers</u>	4	4	4	4	4	4	4	4	4	4	4	4	4
<u>Revenues ('000's)</u>													
Current	11.2	14.5	17.0	17.9	16.8	17.2	13.0	11.1	10.6	10.7	10.0	8.4	158.4
Proposed	11.3	14.7	17.2	18.1	17.0	17.4	13.2	11.3	10.7	10.9	10.2	8.5	160.2
% Change													1.2%

<u>Rates</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$150.00 per month	\$150.00 per month
Demand Charge	\$0.255904 per m*3 per month	\$0.273817 per m*3 per month
Firm Delivery	\$0.037310 per m*3	\$0.037310 per m*3
Interruptible Delivery	\$0.060992 per m*3	\$0.092249 per m*3
Gas Commodity	\$0.001828 per m*3	\$0.000361 per m*3

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 4
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>
<u>Gas Throughput Volumes by Block - 10*3 m*3</u>													
Block 1	67.2	74.0	18.5	6.0	3.9	3.1	1.5	0.6	0.2	5.4	10.2	38.0	228.7
Block 2	68.9	75.9	19.0	2.0	1.3	1.0	1.6	0.6	0.2	5.6	10.4	39.0	225.6
Total	136.1	150.0	37.5	8.0	5.2	4.1	3.1	1.3	0.4	11.0	20.6	77.0	454.3
<u>Customers</u>	23	23	23	23	23	23	23	23	23	23	23	23	23
<u>Revenues ('000's)</u>													
Current	15.7	21.1	5.6	1.9	1.2	1.0	0.6	0.4	0.3	1.8	2.8	9.2	61.5
Proposed	17.2	19.0	5.0	1.8	1.3	1.1	0.7	0.5	0.4	1.7	2.9	9.9	61.5
% Change													-0.1%

<u>Rates</u>	<u>Current Rates</u>		<u>Proposed Rates</u>	
	<u>Off Peak</u>	<u>Peak</u>	<u>Off Peak</u>	<u>Peak</u>
Customer Charge				
Block 1	\$0.144501	\$12.75 per month	\$0.144487	\$15.00 per month
Block 2	\$0.103477	\$0.185648 per m*3 first 1,000 m*3	\$0.103467	\$0.185629 per m*3 first 1,000 m*3
Gas Commodity	\$0.001828	\$0.166254 per m*3 all over 1,000 m*3	\$0.000361	\$0.166237 per m*3 all over 1,000 m*3
		\$0.001828 per m*3		\$0.000361 per m*3

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 5
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>
<u>Gas Throughput Volumes - 10*3 m³</u>													
Total	300.2	530.3	68.4	7.6	5.1	1.8	0.4	0.1	0.0	20.7	11.3	1.4	947.2
<u>Customers</u>	5	5	5	5	5	5	5	5	5	5	5	5	
<u>Revenues ('000's)</u>													
Current	19.5	30.4	4.0	1.0	1.1	0.9	0.8	0.8	0.8	1.8	1.2	0.8	62.9
Proposed	18.3	31.7	4.7	1.2	1.1	0.9	0.8	0.8	0.8	2.0	1.4	0.8	64.3
% Change													2.3%

<u>Rates</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$150.00 per month	\$150.00 per month
Delivery Commodity	\$0.055285 per m³	\$0.058038 per m³
Gas Commodity	\$0.001828 per m³	\$0.000361 per m³

NATURAL RESOURCE GAS LIMITED

Class Revenue Calculation - Rate 6
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>
<u>Gas Throughput Volumes - 10*3 m*3</u>													
Total	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	2,784.7	1,331,672.8
Firm Demand (m*3 per month)	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	108,188.0	
<u>Customers</u>	1	1	1	1	1	1	1	1	1	1	1	1	
<u>Revenues ('000's)</u>													
Current	131.7	131.7	131.7	131.7	131.7	131.7	131.7	131.7	131.7	131.7	131.7	131.7	1,580.6
Proposed	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	1,473.1
% Change													-6.8%

<u>Rates</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$150.00 per month	\$150.00 per month
Demand Charge	\$0.255904 per m*3 per month	\$0.172991 per m*3 per month
Delivery Commodity	\$0.037310 per m*3	\$0.037310 per m*3
Gas Commodity	\$0.001828 per m*3	\$0.000297 per m*3

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 1 Residential
2011 Test Year

	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Total
M*3 per Customer - Current Block Structure													
Block 1	106.8	215.6	330.6	358.2	318.5	268.1	154.8	79.8	43.4	37.8	35.8	52.6	2,002.0
Block 2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	106.8	215.6	330.6	358.2	318.5	268.1	154.8	79.8	43.4	37.8	35.8	52.6	2,002.0
EB-2005-0544 - October 2006													
Customer	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	138.00
Block 1	16.34	32.99	50.58	54.80	48.73	41.02	23.68	12.21	6.64	5.78	5.48	8.05	306.30
Block 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
System Gas Charge	0.20	0.39	0.60	0.65	0.58	0.49	0.28	0.15	0.08	0.07	0.07	0.10	3.66
Total Bill	28.04	44.88	62.69	66.96	60.81	53.01	35.47	23.86	18.22	17.35	17.04	19.64	447.96
													Charge
													\$11.50
													\$0.152999
													\$0.104073
													\$0.001828
EB-2010-0018 - October 2010 (Proposed)													
Customer	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	162.00
Block 1	16.63	33.58	51.49	55.79	49.61	41.76	24.11	12.43	6.76	5.89	5.58	8.19	311.82
Block 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
System Gas Charge	0.04	0.08	0.12	0.13	0.11	0.10	0.06	0.03	0.02	0.01	0.01	0.02	0.72
Total Bill	30.17	47.16	65.11	69.42	63.22	55.35	37.67	25.96	20.28	19.40	19.09	21.71	474.54
Percent Change													5.9%

Note: System Gas Charge does not apply to direct purchase customers.

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 1 Commercial
2011 Test Year

	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Total	
M*3 per Customer - Current Block Structure														
Block 1	536.4	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	717.6	374.5	210.7	203.6	183.3	269.2	7,495.3	
Block 2	0.0	56.6	641.6	825.5	620.6	340.4	0.0	0.0	0.0	0.0	0.0	0.0	2,484.7	
Total	536.4	1,056.6	1,641.6	1,825.5	1,620.6	1,340.4	717.6	374.5	210.7	203.6	183.3	269.2	9,980.0	
EB-2005-0544 - October 2006														
Customer	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	138.00	Charge
Block 1	82.07	153.00	153.00	153.00	153.00	153.00	109.79	57.30	32.24	31.15	28.04	41.19	1,146.77	\$11.50
Block 2	0.00	5.89	66.77	85.91	64.59	35.43	0.00	0.00	0.00	0.00	0.00	0.00	258.59	\$0.152999
System Gas Charge	0.98	1.93	3.00	3.34	2.96	2.45	1.31	0.68	0.39	0.37	0.34	0.49	18.24	\$0.104073
Total Bill	94.55	172.32	234.27	253.75	232.05	202.38	122.60	69.48	44.12	43.02	39.88	53.18	1,561.60	\$0.001828
EB-2010-0018 - October 2010 (Proposed)														
Customer	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	162.00	Charge
Block 1	83.55	155.75	155.75	155.75	155.75	155.75	111.77	58.33	32.82	31.71	28.55	41.93	1,167.42	\$13.50
Block 2	0.00	6.33	71.78	92.36	69.43	38.08	0.00	0.00	0.00	0.00	0.00	0.00	277.98	\$0.155753
System Gas Charge	0.19	0.38	0.59	0.66	0.58	0.48	0.26	0.14	0.08	0.07	0.07	0.10	3.60	\$0.111878
Total Bill	97.24	175.97	241.63	262.27	239.27	207.82	125.53	71.96	46.39	45.28	42.12	55.53	1,611.00	\$0.000361
Percent Change													3.2%	

Note: System Gas Charge does not apply to direct purchase customers.

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 1 Industrial
2011 Test Year

	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Total	
M³ per Customer - Current Block Structure														
Block 1	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	980.4	492.6	309.3	247.8	224.3	419.6	8,674.0	
Block 2	940.7	2,276.8	877.3	520.2	421.4	528.4	0.0	0.0	0.0	0.0	0.0	0.0	5,564.8	
Total	1,940.7	3,276.8	1,877.3	1,520.2	1,421.4	1,528.4	980.4	492.6	309.3	247.8	224.3	419.6	14,238.8	
EB-2005-0544 - October 2006														Charge
Customer	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	138.00	
Block 1	153.00	153.00	153.00	153.00	153.00	153.00	150.00	75.36	47.33	37.91	34.32	64.20	1,327.11	
Block 2	97.90	236.95	91.30	54.13	43.86	54.99	0.00	0.00	0.00	0.00	0.00	0.00	579.14	
System Gas Charge	3.55	5.99	3.43	2.78	2.60	2.79	1.79	0.90	0.57	0.45	0.41	0.77	26.02	
Total Bill	265.95	407.44	259.23	221.41	210.95	222.28	163.29	87.76	59.39	49.86	46.23	76.47	2,070.28	
EB-2010-0018 - October 2010 (Proposed)														Charge
Customer	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	162.00	
Block 1	155.75	155.75	155.75	155.75	155.75	155.75	152.70	76.72	48.18	38.59	34.93	65.35	1,351.00	
Block 2	105.25	254.72	98.15	58.19	47.15	59.12	0.00	0.00	0.00	0.00	0.00	0.00	622.58	
System Gas Charge	0.70	1.18	0.68	0.55	0.51	0.55	0.35	0.18	0.11	0.09	0.08	0.15	5.14	
Total Bill	275.20	425.16	268.08	228.00	216.91	228.92	166.55	90.40	61.79	52.18	48.51	79.01	2,140.71	
Percent Change													3.4%	

Note: System Gas Charge does not apply to direct purchase customers.

M*3 per Customer - Current Block Structure

EB-2005-0544 - October 2006

EB-2010-0018 - October 2010 (Proposed)

Note: System Gas Charge does not apply to direct purchase customers.

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 4
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>	
<u>M³ per Customer - Current Block Structure</u>														
Block 1	1,000.0	1,000.0	1,000.0	349.8	225.1	179.0	133.3	55.0	17.6	479.2	894.7	1,000.0	6,333.6	
Block 2	4,917.9	5,520.8	629.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,348.7	13,417.0	
Total	5,917.9	6,520.8	1,629.7	349.8	225.1	179.0	133.3	55.0	17.6	479.2	894.7	3,348.7	19,750.6	
<u>EB-2005-0544 - October 2006</u>														
Customer	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	153.00	Summer \$12.75
Block 1	144.50	144.50	144.50	64.93	41.78	33.23	19.26	7.95	2.54	69.24	129.28	144.50	946.23	\$0.144501
Block 2	508.89	571.27	65.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.04	1,388.35	\$0.103477
System Gas Charge	10.82	11.92	2.98	0.64	0.41	0.33	0.24	0.10	0.03	0.88	1.64	6.12	36.10	\$0.166254
Total Bill	676.95	740.44	225.38	78.32	54.94	46.31	32.26	20.80	15.32	82.86	143.67	406.41	2,523.67	\$0.001828
<u>EB-2010-0018 - October 2010 (Proposed)</u>														
Customer	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	180.00	Summer \$15.00
Block 1	144.49	144.49	144.49	64.93	41.78	33.23	19.26	7.95	2.54	69.23	129.27	144.49	946.13	\$0.144487
Block 2	508.84	571.22	65.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.01	1,388.22	\$0.103467
System Gas Charge	2.14	2.35	0.59	0.13	0.08	0.06	0.05	0.02	0.01	0.17	0.32	1.21	7.13	\$0.166237
Total Bill	670.46	733.06	225.22	80.05	56.86	48.30	34.31	22.97	17.55	84.40	144.59	403.71	2,521.48	\$0.000361
Percent Change													-0.1%	

Note: System Gas Charge does not apply to direct purchase customers.

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 5
2011 Test Year

	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Total</u>	
<u>M³ per Customer</u>														
Total	60,042.0	106,051.8	13,676.3	1,510.8	1,010.6	361.6	74.4	25.6	2.2	4,143.7	2,256.4	276.9	189,432.3	
<u>EB-2005-0544 - October 2006</u>														
Customer	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00	Charge
Delivery	3,319.42	5,863.08	756.09	83.52	55.87	19.99	4.11	1.41	0.12	229.09	124.74	15.31	10,472.77	\$150.00
System Gas Charge	109.74	193.83	25.00	2.76	1.85	0.66	0.14	0.05	0.00	7.57	4.12	0.51	346.22	\$0.055285
Total Bill	3,579.16	6,206.90	931.09	236.28	207.72	170.65	154.25	151.46	150.13	386.66	278.87	165.82	12,618.99	\$0.001828
<u>EB-2010-0018 - October 2010 (Proposed)</u>														
Customer	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00	Charge
Delivery	3,484.72	6,155.04	793.75	87.68	58.65	20.98	4.32	1.48	0.13	240.49	130.96	16.07	10,994.27	\$150.00
System Gas Charge	21.67	38.28	4.94	0.55	0.36	0.13	0.03	0.01	0.00	1.50	0.81	0.10	68.38	\$0.058038
Total Bill	3,656.39	6,343.32	948.68	238.23	209.02	171.12	154.35	151.49	150.13	391.99	281.77	166.17	12,862.65	\$0.000361
Percent Change													1.9%	

Note: System Gas Charge does not apply to direct purchase customers.

NATURAL RESOURCE GAS LIMITED

Typical Bill Comparisons - Rate 6
2011 Test Year

	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Total	
<u>M*3 per Customer</u>														
Total	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	2,784,734.7	33,416,816.0	
Firm CD	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0	108,118.0		
<u>EB-2005-0544 - October 2006</u>														
Customer	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00	Charge
Demand	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	27,667.83	332,013.94	\$150.00
Delivery	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	1,246,766.37	\$0.255904
System Gas Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.037310
Total Bill	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	131,715.03	1,580,580.31	\$0.000000
<u>EB-2010-0018 - October 2010 (Proposed)</u>														
Customer	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00	Charge
Demand	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	18,703.44	224,441.29	\$150.00
Delivery	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	103,897.20	1,246,766.37	\$0.172991
System Gas Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.037310
Total Bill	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	122,750.64	1,473,007.66	\$0.000000
Percent Change													-6.8%	

Note: System Gas Charge does not apply to direct purchase customers.

Attachment E
Derivation of Authorized Rate Riders

Natural Resource Gas Limited
EB-2010-0018: 2011 Rates
Forgone Revenue Rate Rider Derivation

Estimate of Foregone Revenue October 1, 2010 - January 31, 2011

	Volumes			
	Oct	Nov	Dec	Jan
R1-Residential	693,114	1,404,325	2,154,698	2,343,817
R1-Commercial	222,058	437,433	679,627	755,757
R1-Industrial	81,510	137,626	78,847	63,847
R2	42,299	26,176	7,643	6,816
R3	128,351	218,308	283,817	307,692
R4	136,111	149,978	37,482	8,045
R5	300,210	530,259	68,382	7,554
R6	2,621,595	2,621,595	2,621,595	2,621,595
Total	4,225,247	5,525,700	5,932,089	6,115,121

	Volumes - By Tier			
	Oct	Nov	Dec	Jan
R1-Residential				
Tier 1	654,300	1,325,683	2,034,035	2,212,563
Tier 2	38,814	78,642	120,663	131,254
R1-Commercial				
Tier 1	94,597	186,346	289,521	321,952
Tier 2	127,461	251,086	390,106	433,804
R1-Industrial				
Tier 1	17,851	30,140	17,267	13,982
Tier 2	63,659	107,486	61,579	49,864
R2				
Tier 1	4,877	7,146	2,086	1,861
Tier 2	37,422	19,030	5,556	4,955
Tier 3	0	0	0	0
R3	128,351	218,308	283,817	307,692
R3 Demand	21,411	21,411	21,411	21,411
R4	67,198	74,044	18,505	6,018
R4 Tier 1	68,913	75,934	18,977	2,026
R5	300,210	530,259	68,382	7,554
R6	2,621,595	2,621,595	2,621,595	2,621,595
R6 Demand	108,118	108,118	108,118	108,118
Total m3	4,225,247	5,525,700	5,932,089	6,115,121
Total Demand	129,529	129,529	129,529	129,529

	Customer Count			
	Oct	Nov	Dec	Jan
R1-Residential	6,489	6,513	6,518	6,544
R1-Commercial	414	414	414	414
R1-Industrial	42	42	42	42
R2	73	73	73	73
R3	4	4	4	4
R4	23	23	23	23
R5	5	5	5	5
R6	1	1	1	1

Total	7,051	7,075	7,080	7,106
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	Fixed Monthly Charges		Rate Differential									
	Existing Monthly Charge	Proposed Monthly Charge	Differential	Variable Charges					Variable Rate Differential			
R1-Residential	11.50	13.50	2.00	Tier 1	0.152999	0.155753	0.002754		Existing Variable Rate	Proposed Variable Rate	Existing Variable Rate	Proposed Variable Rate
				Tier 2	0.104073	0.111878	0.007805					
R1-Commercial	11.50	13.50	2.00	Tier 1	0.152999	0.155753	0.002754					
				Tier 2	0.104073	0.111878	0.007805					
R1-Industrial	11.50	13.50	2.00	Tier 1	0.152999	0.155753	0.002754					
				Tier 2	0.104073	0.111878	0.007805					
R2	12.75	15.00	2.25	Tier 1	0.145	0.1479	0.0029	Tier 1	November - March			
				Tier 2	0.100431	0.10344393	0.00301293	Tier 2	0.185648	0.18936096	0.00371296	
				Tier 3	0.065417	0.06737951	0.00196251	Tier 3	0.166254	0.17124162	0.00498762	
R3	150.00	150.00	0.00	Commod	0.03731	0.03731	0		0.161952	0.16681056	0.00485856	
				Demand	0.255904	0.27381728	0.01791328					
R4	12.75	15.00	2.25	Tier 1	April - December					January - March		
				Tier 2	0.144501	0.144487	-0.000014	Tier 1	0.185648	0.185629	-0.000019	
R5	150.00	150.00	0.00	Tier 1	0.103477	0.103467	-0.000010	Tier 2	0.166254	0.166237	-0.000017	
R6	150.00	150.00	0.00	Commod	0.055285	0.058038	0.002753					
				Demand	0.03731	0.03731	0					
					0.255904	0.172991	-0.082913					

Forgone Revenue - Monthly Charge				
	Oct	Nov	De c	Jan
R1-Residential	12,978	13,026	13,036	13,088
R1-Commercial	828	828	828	828
R1-Industrial	84	84	84	84
R2	164	164	164	164
R3	0	0	0	0
R4	52	52	52	52
R5	0	0	0	0
R6	0	0	0	0
Total	14,106	14,154	14,164	14,216
Cumulative	14,106	28,260	42,424	56,640

Forgone Revenue - Variable Charge				
	Oct	Nov	De c	Jan
R1-Residential	2,105	4,265	6,544	7,118
R1-Commercial	1,255	2,473	3,842	4,272
R1-Industrial	546	922	528	428
R2	127	121	35	32
R3	384	384	384	384
R4	-2	-2	0	0

R5	826	1,460	188	21
R6	-8,964	-8,964	-8,964	-8,964
Total	-3,723	658	2,556	3,289
Cumulative	-3,723	-3,065	-508	2,781

Total Forgone Revenue				
	Oct	Nov	De c	Jan
R1-Residential	15,083	17,291	19,580	20,206
R1-Commercial	2,083	3,301	4,670	5,100
R1-Industrial	630	1,006	612	512
R2	291	286	200	196
R3	384	384	384	384
R4	50	50	51	52
R5	826	1,460	188	21
R6	-8,964	-8,964	-8,964	-8,964
Total	10,383	14,812	16,720	17,505
Cumulative	10,383	25,195	41,916	59,421

Proposed Rate Rider - per customer, per month	
R1	1.6
R2	1.67
R3	47.94
R4	1.1
R5	62.38
R6	-4482.19

Natural Resource Gas Limited
EB-2010-0018: 2011 Rates
Derivation of PGTVA/REDA Rate Rider

	Customer Count											
	Feb	Mar	Apr	May	June	July	Aug	Sept	Customers Feb thru Sept			
R1-Residential	6550	6563	6577	6581	6594	6595	6596	6599	52,655			
R1-Commercial	414	414	414	414	414	414	414	414	3,312			
R1-Industrial	42	42	42	42	42	42	42	42	336			
R1-Total	7006	7019	7033	7037	7050	7051	7052	7055	56,303			
R2	73	73	73	73	73	73	73	73	584			
R3	4	4	4	4	4	4	4	4	32			
R4	23	23	23	23	23	23	23	23	184			
R5	5	5	5	5	5	5	5	5	40			
R6	1	1	1	1	1	1	1	1	8			
Total	7112	7125	7139	7143	7156	7157	7158	7161				

Customer Class	Amount to be Returned per D1/7/2	Customers Feb thru Sept	Proposed Rate Rider - per customer, per month	
			Feb	Sept
R1	\$ 51,536	56,303	\$ 0.92	
R2	\$ 3,382	584	\$ 5.79	
R3	\$ 104	32	\$ 3.25	
R4	\$ 463	184	\$ 2.52	
R5	\$ 1,023	40	\$ 25.58	
R6	\$ 145,705	8	\$ 18,213.13	

Customer Class	Amount to be Returned	Customers Feb thru Sept	Proposed Rate Rider - per customer, per month	
			Feb	Sept
R1	\$ 123,330	56,303.00	\$ 2.19	
R2	\$ 7,156	584.00	\$ 12.25	
R3	\$ 3,360	32.00	\$ 105.00	
R4	\$ 1,531	184.00	\$ 8.32	
R5	\$ 3,303	40.00	\$ 82.58	
R6	\$ 168,065	8.00	\$ 21,008.13	
Total	\$ 29,385	57,151.00		

Natural Resource Gas Limited
EB-2010-0018: 2011 Rates
Derivation of System Gas Refund Rate Rider

	System Gas Volumes							
	Feb	Mar	Apr	May	June	July	Aug	Sept
R1-Residential	2,085,901	1,731,999	1,008,902	520,601	283,303	247,149	234,288	336,032
R1-Commercial	670,925	351,038	222,641	111,672	64,146	71,480	64,184	88,631
R1-Industrial	59,699	64,192	41,177	20,688	12,992	10,407	9,420	17,617
R2	3,300	3,670	12,145	3,782	807	897	131,976	249,625
R3	278,883	183,438	137,062	109,189	109,843	114,559	96,630	52,580
R4	5,176	4,117	3,066	1,265	405	11,020	20,578	77,020
R5	5,053	1,808	372	128	11	16,535	7,735	0
R6	0	0	0	0	0	0	0	0
Total	3,108,936	2,340,262	1,425,365	767,324	471,506	472,048	564,810	821,505
Cumulative Total	3,108,936	5,449,199	6,874,563	7,641,888	8,113,394	8,585,442	9,150,253	9,971,758

Amount to be Returned 95,941

Derivation of Rate Rider
Amount -95,941
Volumes 9,971,758
Rate Rider -0.009621 per m3

Attachment F
Draft Accounting Orders

Accounting Order

**Deferral Account to Record
Revenues Recovered Through the Transportation Service Charges**

Note: Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the *Ontario Energy Board Act, 1998*.

As indicated in its Decision dated December 6, 2010, the Board authorized NRG to establish a deferral account to record the revenues recovered through the Board authorized Transportation Service Charges.

Accounting Entries for Transportation Service Charges Revenues

Deferral Account No. 179-xxx Other Deferred Revenues – Transportation Service Charge Revenues

To record, as a debit (credit) in Deferral Account No. 179-xxx the actual revenues recovered through the operation of the Board authorized Transportation Service Charge and the Transportation Service Administration Fee.

Debit/Credit - Account No. 179-xxx Other Deferred Revenues- Transportation Service Revenues

Credit/Debit - Account No. 251 Miscellaneous Revenues

To record, as a debit (credit) in Deferral Account No. 179, interest on the balance in Deferral Account

Debit/Credit - Account No.179-xxx Other Deferred Revenues- Transportation Service Revenues

Credit/Debit - Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

Accounting Order

Deferral Account to Record the Costs Incurred to Convert to the International Financial Reporting Standard

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

As indicated in its Decision dated December 6, 2010, the Board authorized NRG to establish a deferral account to record the costs incurred to convert to the International Financial Reporting Standard ("IFRS").

Accounting Entries for IFRS Conversion Costs

Deferral Account No. 179-xxx Other Deferred Charges - IFRS Conversion Costs

To record, as a debit (credit) in Deferral Account No. 179-xxx the actual costs incurred to convert accounting policies and processes from their current compliance with Canadian Generally Accepted Accounting Principles to their future compliance with International Financial Reporting Standards (IFRS).

Debit/Credit - Account No. 179-xxx Other Deferred Charges- IFRS Conversion Costs

Credit/Debit - Account No. 251 Accounts Payable

To record, as a debit (credit) in Deferral Account No. 179, interest on the balance in Deferral Account

Debit/Credit - Account No.179-xxx Other Deferred Charges- IFRS Conversion Costs

Credit/Debit - Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

Accounting Order

Deferral Account to Record IGPC Pipeline Maintenance Deferral 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.

As indicated in its Decision dated December 6, 2010, the Board authorized NRG to establish the IGPC Pipeline Maintenance Deferral Account to record 50% of the forecast MIG Engineering maintenance costs for the IGPC pipeline.

Accounting Entries for IGPC Pipeline Maintenance Deferral Account

Deferral Account No. 179-xxx Other Deferred Charges - IGPC Pipeline Maintenance

To record, as a debit in Deferral Account No. 179-xxx 50%, \$56,055 being the remaining balance of the forecast MIG Engineering Ltd. costs to provide administration, engineering and maintenance services for the IGPC pipeline.

Debit/Credit - Account No. 179-xxx Other Deferred Charges - IGPC Pipeline Maintenance

Credit/Debit - Account No. 251 Accounts Payable

To record, as a debit (credit) in Deferral Account No. 179, interest on the balance in Deferral Account

Debit/Credit - Account No. 179-xxx Other Deferred Charges - IGPC Pipeline Maintenance

Credit/Debit - Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

Accounting Entries for the Purchased Gas Transportation 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-xxx Purchased Gas Transportation Variance Account (PGTVA)

Credit/Debit Account No. 623 Gas Purchases

Effective October 1, 2010 NRG is authorized to reset the reference price for the PGTVA Fiscal 2011. Whereas formerly a single reference price was used effective October 1, 2010 two reference prices will be relied on:

A reference price of \$0.023909/m³ applicable to all customers in classes 1 through 5;

A reference price of \$0.0105000/m³ applicable to IGPC exclusively.

To record, as a debit (credit) in Deferral Account No. 179, interest on the balance in Deferral Account

Debit/Credit Account No. 179-xxx Interest on PGTVA

Credit/Debit Account No. 323 Other Interest Expense

Simple interest to be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

To dispose of the balance recorded in the account as of September 30, 2009:

Debit Account No. 179-xxx Purchased Gas Transportation Variance Account (PGTVA) by \$198,811

Credit/Debit Account No. xxx PGTVA Rate Rider Revenue Account

To dispose of the associated carrying charges recorded as of September 30, 2009:

Debit Account No. 179-xxx Other Interest Expense by \$3,390

Credit/Debit Account No. xxx PGTVA Rate Rider Revenue Account

Accounting Entries for the Regulatory Expense Deferral Account

To dispose of the balance recorded in the account as of September 30, 2009:

Credit Account No. 179-xxx Regulatory Expense Deferral Account (REDA) by \$172,801

Credit/Debit Account No. xxx REDA Rate Rider Revenue Account

To dispose of the associated carrying charges recorded as of September 30, 2009:

Debit Account No. 179-xxx Other Interest Expense by \$1,106

Credit/Debit Account No. xxx REDA Rate Rider Revenue Account