

## **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.

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 Other Deferred Revenues – Transportation Service Charge Revenues

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

Debit/Credit - Account No. 179-39 Other Deferred Revenues- Transportation Service Revenues

Credit/Debit - Account No. 579 Miscellaneous Operating Revenues

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

Debit/Credit - Account No.179-40 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 Other Deferred Charges - IFRS Conversion Costs

To record, as a debit (credit) in Deferral Account No. 179 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. 179-41 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.179-42 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 Other Deferred Charges - IGPC Pipeline Maintenance

To record, as a debit in Deferral Account No. 179 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. 179-43 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. 179-44 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. 179-45 Purchased Gas Transportation Variance Account (PGTVA)

Credit/Debit Account No. 623 Cost of Gas

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/m<sup>3</sup> applicable to all customers in classes 1 through 5;

A reference price of \$0.0105000/m<sup>3</sup> 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. 179-46 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 record the collection of the balance recorded in the account as of September 30, 2009 from the PGTVA Rate Rider:

Debit Account No. 179-29 Purchased Gas Transportation Variance Account (PGTVA) by PGTVA Rate Rider to collect \$198,811

Credit Account No. 140 Accounts Receivable - Customers

To record the collection of the balance recorded for associated carrying charges as of September 30, 2009:

Natural Resource Gas Limited  
EB-2010-0018  
Revised Draft Rate Order  
Filed: January 20, 2011

Debit Account No. 179-30 Other Interest Expense by PGTVA Rate Rider to collect  
\$3,390

Credit Account No. 140 Accounts Receivable - Customers

**Accounting Entries for the Regulatory Expense Deferral Account**

To record the collection of the balance recorded in the account as of September 30, 2009 from REDA Rate Rider:

Credit Account No. 179-21 Regulatory Expense Deferral Account (REDA) by REDA Rate Rider to collect \$172,801

Debit Account No. 140 Accounts Receivable - Customers

To record the collection of the balance of associated carrying charges as of September 30, 2009 from REDA Rate Rider:

Credit Account No. 179-22 Other Interest Expense by REDA Rate Rider to collect \$1,106

Debit Account No. 140 Accounts Receivable - Customers