

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

February 4, 2011

Jack Howley
General Manager
Natural Resource Gas Limited
39 Beech Street
Aylmer, ON N5H 2S1

Dear Mr. Howley:

**Re: Natural Resource Gas (“NRG”) Limited 2011 Cost of Service Application –
File Number EB-2010-0018**

The Board has reviewed NRG’s rate order filed on December 29, 2010 and the amendments filed thereafter. The Board is concerned with the changes made to the volumes allocated to the different tiers within a rate class. It is understood that the error was discovered while preparing the Draft Rate Order. Ideally, NRG should have reconciled revenues recovered through the specific rates being charged with the revenue requirement number during the preparation of the Application.

The Board wishes to ascertain whether or not this correction results in an additional \$56,000 in the revenue requirement underpinning the proposed rates.

NRG is asked to provide further information on the revenues recovered through the old tiers, the gap in the revenue requirement with the old tier structure, and how the proposed tiers recover the revenue requirement. The Board expects NRG to provide a response in sufficient detail so as to fully inform the Board on this matter.

NRG is directed to respond by February 9, 2011 and copy all parties. Should the parties have any concerns, they can file their submissions to the Board and copy NRG, by February 11, 2011.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary