



**EB-2010-0018**

**IN THE MATTER OF** the *Ontario Energy Board Act 1998*,  
S.O.1998, c.15, (Schedule 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  
commencing October 1, 2010

**AND IN THE MATTER OF** an Application by Natural  
Resource Gas Limited for an Order or Orders approving a  
multi-year incentive rate mechanism plan.

### **PROCEDURAL ORDER NO. 10**

Natural Resource Gas Limited ("NRG" or the "Applicant") filed an Application, dated February 10, 2010, with the Ontario Energy Board under section 36 of the *Ontario Energy Board Act*, S.O. 1998, c.15, Schedule B. The Board assigned file number EB-2010-0018 to the Application. The Application sought approval for a revenue requirement and rates for the 2011 rate year, and for the approval of a four year Incentive Regulation Mechanism ("IRM") for the period 2012-2015.

The Board issued a Notice of Application dated March 1, 2010. The Town of Aylmer, Union Gas Limited ("Union"), Integrated Grain Processors Co-Operative Inc. ("IGPC") and Vulnerable Energy Consumers Coalition ("VECC") applied for and were granted intervenor status.

The Board issued a decision and order on December 6, 2010 that determined rates for the 2011 rate year (effective October 1, 2010). The Board also accepted NRG's request to address the IRM component of the Application for 2012 and beyond (and certain other discrete issues) in a second phase to the proceeding ("Phase 2").

NRG filed a revised IRM plan on May 6, 2011. On July 18, 2011, NRG completed its Phase 2 filing requirements by filing an independent system integrity study that identified alternatives to maintaining system pressure in NRG's southern service area as opposed to purchasing gas from the related company.

In Procedural Order No. 8, the Board made provision for a technical conference followed by a settlement conference. A technical conference was held on September 26, 2011 followed by a settlement conference. The participants in the settlement conference included the Applicant, VECC, IGPC and Board staff. The Town of Aylmer did not attend the settlement conference and by way of an email dated August 26, 2011 indicated that the Town would not be an active participant in Phase 2 but would remain an observer. Union did not participate in the settlement conference.

NRG filed a settlement agreement on November 11, 2011. NRG and the parties were able to reach a settlement on two of the three issues before the Board in Phase 2 of the proceeding. The issue that remains unsettled is the appropriate price for gas purchased from NRG Corp., a related company.

As per Procedural Order No. 9 the Board convened an oral hearing on November 30, 2011 to consider the settlement agreement and to hear the unsettled issue. The Board accepted the settlement agreement of November 11, 2011 and instructed NRG to file a Draft Rate Order for IRM rates to be implemented January 1, 2012.

The Board considers it necessary to make provision for the following procedural matters. Please be aware that further procedural orders may be issued from time to time.

**THE BOARD THEREFORE ORDERS THAT:**

1. NRG shall file with the Board its argument-in-chief on the issue of gas purchases from the related company, NRG Corp. and deliver it to the intervenors no later than Friday, December 23, 2011.
2. Final arguments shall be filed with the Board by Board staff and intervenors on or before Monday, January 9, 2012 and served on the Applicant and other intervenors in this proceeding.

3. Reply argument of the Applicant shall be filed with the Board on or before Friday, January 20, 2012 and served on the intervenors.

All filings to the Board must quote file number EB-2010-0018, be made through the Board's web portal at [www.erro.ontarioenergyboard.ca](http://www.erro.ontarioenergyboard.ca), and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca). If the web portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

**DATED** at Toronto, December 8, 2011

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary