

# AIRD & BERLIS LLP

Barristers and Solicitors

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June 20, 2012

BY COURIER, EMAIL AND RESS

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Proposed Issues List of Integrated Grain Processors Co-operative Inc.  
("IGPC")  
EB-2012-0072**

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Pursuant to Procedural Order No. 3 dated June 7, 2012, we enclose two (2) hard copies of the Proposed Issues list of IGPC in the above referenced proceeding.

An electronic version of the Proposed Issues list of IGPC was filed on RESS today.

Yours truly,

AIRD & BERLIS LLP



Scott A. Stoll

SAS/hm

Enclosure

cc: B. Cowan and L. O'Meara, NRG  
R. King, Norton Rose  
J. Reynaert, Town of Alymer  
P. Tunley, Stockwoods  
All Intervenors

ONTARIO ENERGY BOARD

**IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O. 1990, c. M-55, as amended;

**AND IN THE MATTER OF** an Application by Natural Resources Gas Ltd. for an order approving the terms and conditions upon which, and the period for which, the Corporation of the Town of Aylmer is by by-law, to grant to Natural Resources Gas Ltd. the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and to the works in the Town of Aylmer;

**AND IN THE MATTER OF** an application by Natural Resources Gas Limited for an order directing and declaring the assent of the municipal electors of the Town of Aylmer to the by-law is not necessary.

**PROPOSED ISSUES LIST OF IGPC**

IGPC has had the opportunity to review the draft issues raised by the Town of Aylmer (“**Town**”) and support the issues identified by the Town. In addition, to the issues raised by the Town, IGPC suggests the following issues may impact quality of service, reliability and financial viability and should be considered in the current proceeding:

1. What are the elements and standards of quality of service the Board considers during a renewal of a franchise agreement? Has NRG satisfied each of the required elements and standards in providing service to the ratepayers?
2. Has NRG complied, and is it in compliance, with the requirements of the *Gas Distribution Access Rule*?
3. Are there any outstanding Board orders or directives pertaining to NRG?
4. Should NRG provide an annual certification as to its compliance with paragraphs 2 and 3 to the Board and to the municipalities in which it operates?
5. Should NRG and Aylmer be obligated to participate in regular meetings (i.e. quarterly, on a pre-scheduled basis) to discuss and resolve any issues that may arise? Should Board

Staff be present at such meetings and in what role? Should these meeting include other municipalities or result in a public report to ensure ratepayers are kept informed?

6. Does a Franchise Agreement have to be renewed for the entire geographic territory of the municipality? If not, in what circumstances would the Board consider splitting a franchise and what process would be used for such?
7. Should the Board consider the events that preceded the 2009 Franchise Decision which renewed the franchise agreement for a term of 3 years in light of its February 11, 2011 Decision and Order in EB-2010-0374?
8. Has NRG had any discussions with its lenders regarding this proceeding and will the outcome potentially impact its ability to carry on operations?
9. If there are concerns regarding service quality or other factors to be considered by the Board in the renewal of a franchise agreement, should the Board deal with such concerns by way of: (i) order; (ii) the franchise agreement; or (iii) both mechanisms?
10. Is NRG involved in any significant lawsuits, claims, actions or applications or similar proceedings? If so, could or do any of the proceeding(s) create a risk of an adverse impact to NRG or ratepayers?
11. Are all other franchise agreements to which NRG is a party in effect and in good standing?
12. Excluding general industry reliability issues, are there any circumstances which pose a risk to the reliability of gas service within the franchise area? If so, what are the risks and what is being done to mitigate such risks?
13. In previous proceedings, NRG has indicated that it was discussing the potential to sell the utility. Given such statements by NRG, is there any sale (in whole or in part) or change of control of NRG being contemplated? If so, on what timelines should such a process be completed and are further Board approvals required?
14. NRG has indicated that its ownership structure is unique, being a trust, and so it is unlike other utilities in the province. IGPC understood from prior proceedings that the health of the trustees may be an issue. Is there a succession plan for the trustees that administer the trust that owns NRG to ensure ratepayers are not exposed to any significant risk? If not, should there be an obligation to develop such a plan? Is there any obligation for the trust to be wound up during the requested term of the franchise agreement?