

# AIRD & BERLIS LLP

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March 15, 2013

## BY COURIER, EMAIL AND RESS

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Integrated Grain Processors Co-operative Inc. Application  
Board File No. EB-2012-0406  
Request for Oral Hearing by Natural Resource Gas Limited**

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We are writing in response to the letter dated February 21, 2013 (the "**Letter**"), from Mr. John Beauchamp, counsel for Natural Resource Gas Limited ("**NRG**"), requesting an oral hearing in respect of the above-noted proceeding. Integrated Grain Processors Co-operative Inc. ("**IGPC**") does not object to the proceeding occurring on an oral basis.

IGPC is of the view that it would be appropriate for the person who has the ultimate decision-making at NRG, Mr. Anthony Graat, to appear as a witness at the oral hearing. IGPC requests the Board inform NRG that Mr. Graat is to be made available for questioning at the hearing.

It appears from the Letter that NRG intends to turn the proceeding into a motion to review IGPC's financial position. This is a clear attempt by NRG to direct attention away from the matters of importance, namely, NRG's conduct. NRG currently has a Letter of Credit with a value significantly in excess of the remaining undepreciated value of the IGPC Pipeline. NRG's shareholders and ratepayers are fully secured. To the extent that NRG makes any capital investment in the IGPC Pipeline to facilitate the planned expansion of the IGPC ethanol plant, it is to be expected that IGPC will be required to post appropriate security, if required, at that time.

The fact is that regulated utilities are required to provide service to a wide range of private and public entities and there is no prerequisite that a business customer first disclose its confidential business and financial strategic plans. The release of such information would be extremely prejudicial to every competitive business and in the end, would be of no value or relevance to any proceeding before the Board. NRG already has security for the undepreciated pipeline and its distribution services. It also has the right to discontinue service in the event of non-payment and its rates are based upon a revenue requirement which includes the forecast cost of bad debt and late payments. Its rate of return also

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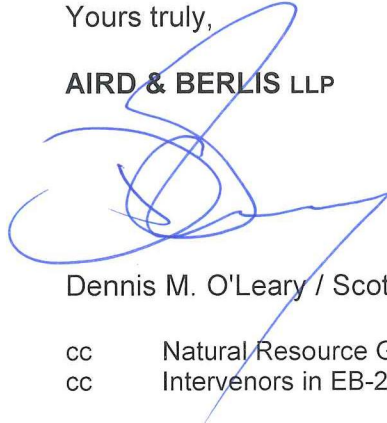
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return also reflects the risk of doing business. To then also ask the Board to undertake inquiries into the confidential and proprietary finances of a utility's customer is both unnecessary and beyond the jurisdiction of the Board.

It should be noted that this is not the first time that NRG has taken this position. As the Board rejected NRG's similar assertion earlier, it is respectfully submitted that the Board make it clear that the current proceeding will not entertain any requests for disclosure of IGPC's business and financial plans.

Yours truly,

**AIRD & BERLIS LLP**



Dennis M. O'Leary / Scott Stoll

cc Natural Resource Gas Limited  
cc Intervenors in EB-2010-0018

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