

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board
Act, 1998, S.O. 1998, c.15 (Sched. 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 as of July 1, 2013;

AND IN THE MATTER OF the Quarterly Rate
Adjustment Mechanism.

APPLICATION

1. As part of the EB-2013-0052 Decision and Order dated March 20, 2013 the Board approved a PGCVA reference price of \$0.194355 per m³ and a gas supply charge of \$0.194287 per m³, both effective April 1, 2013.
2. Based on actual and forecast natural gas prices for the July, 2012 through June, 2013 period the PGCVA balance is projected to be a rebate of approximately \$0.74 per residential customer.
3. NRG hereby applies to the Board for further orders effective July 1, 2013 as follows:
 - a) an order changing the reference price authorized by the Board's EB-2013-0052 Decision and Order for use in determining the amounts to be recorded in the Purchased Gas Commodity Variance Account (Account No. 179-27) by \$0.005927 per m³ from the Board approved level of \$0.194355 per m³ to \$0.200282 per m³;
 - b) an order changing the rates and other charges from those authorized by the Board's EB-2013-0052 Decision and Order to reflect a projected

\$0.006566 per m³ change in the gas supply charge from the Board approved level of \$0.194287 m³ to a projected cost of \$0.200853 per m³. This change is the sum of the change in the PGCVA reference price, the change required to prospectively clear the balance of the Gas Purchase Rebalancing Act and the continuation of the system gas supply cost approved in EB-2010-0018.

4. This application will be supported by written evidence that will be pre-filed with the Board and intervenors of record in EB-2010-0018.

5. Pursuant to the criteria established in the Board's EB-2008-0106 Decision, below is the Board's direction with respect to the timeline for processing the application:

- * Parties to this proceeding wishing to make comments on the application may do so by filing such submissions with the Board Secretary (two hard copies plus an electronic copy by e-mail) and NRG no later than 4:45 p.m. Wednesday, June 12, 2013.
- * NRG shall reply to any comments received by filing such replies with the Board Secretary (two hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:45 p.m., Saturday, June 15, 2013.
- * The Board issues its Decision and Order by Tuesday, June 25, 2013 for implementation effective July 1, 2013.

6. The address of service for Natural Resource Gas Limited is:

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Dated at London, Ontario, this 7th day of June, 2013.

NATURAL RESOURCE GAS LIMITED

Laurie O'Meara
Controller

NATURAL RESOURCE GAS LIMITED

INTRODUCTION

As part of the EB-2013-0052 Decision and Order dated March 20, 2013 the Board approved a Purchased Gas Commodity Variance Account (“PGCVA”) reference price of \$0.194355 per m³ and a gas supply charge of \$0.194287 per m³, both effective April 1, 2013.

In RP-2002-0147/EB-2003-0286 (Accounting Order dated January 30, 2004), the Board approved a Gas Purchase Rebalancing Account (“GPRA”) to record the increase (decrease) in the value of the gas inventory available for sale to sales service customers due to changes in NRG’s PGCVA reference price. This account was maintained in the EB-2010-0018 Rate Order dated February 17, 2011. In EB-2013-0052, the Board approved a GPRA rate of (\$0.000431) per m³.

NRG is proposing to adjust the gas supply charge, the GPRA rate and the PGCVA reference price effective July 1, 2013 to reflect an updated forecast of gas costs, the projected balance in the PGCVA and the projected balance in the GPRA.

PGCVA

Updated Forecasts

Based on actual and forecast costs, the PGCVA account balance totals a rebate of \$0.74 per residential customer for the twelve month period ending June, 2013 (Schedule 2).

The current forecast reflects the forecast for natural gas prices over the relevant period. These gas prices reflect current market conditions, including alternative energy prices, demand for natural gas, the weather outlook and the impact of current storage levels.

The PGCVA balance has been calculated using the most recent information available, including actual volumes and costs through April, 2013. The remaining months in the

June, 2013

1 twelve-month period ending June, 2013 are calculated using estimated prices based on
2 the best information available at the time of filing.

3
4 Forecast prices have been used for the period July, 2013 through June, 2014 period,
5 except where actual contracted prices are available.

6
7 The gas supply portfolio reflects the current and forecasted mix of delivery points utilized
8 by NRG for system gas purchases.

9
10 Gas Supply Portfolio

11 NRG's gas supply portfolio includes local production, deliveries of Western Canadian
12 gas at the Alberta border and purchases at Parkway on the Union Gas ("Union") system.
13 NRG also purchases additional gas or sheds excess gas when required. The requirement
14 for these purchases is discussed below. This gas may be Ontario Delivered gas, gas
15 purchased/sold at Dawn or additional deliveries/curtailments at Parkway or at the Alberta
16 border.

17
18 NRG is a direct purchase customer on the Union Gas system. Under its bundled
19 transportation contract, NRG is obligated to deliver a fixed amount of gas each day to
20 Union. This amount is determined by Union and is based on the expected annual volume
21 divided by 365 (or 366 in a leap year).

22
23 NRG is required to balance its total supply with its total demand on the Union Gas
24 system on an annual basis, at the time that the direct purchase contract with Union Gas is
25 renewed. This may entail NRG purchasing gas or shedding excess gas.

26
27 As indicated above, NRG is required to balance its supply with its demand on the Union
28 system to within +/- 4% at the end of the contract year under its bundled transportation
29 contract with Union. The bundled transportation contract year-end corresponds with the
30 end of NRG's fiscal year (September 30). NRG purchases additional balancing gas or

1 sells gas and/or reduces deliveries such that total demand on the Union system is offset
2 by the supply provided to Union Gas to remain within the contract parameters.

3
4 In September, 2012 NRG had to shed gas supplies in order to remain in balance with its
5 contract parameters with Union Gas. NRG sold 35,700 GJ of gas delivered to Parkway at
6 a price of \$2.926/GJ (shown in Schedule 4), for a total offset to gas costs of \$104,444.
7 This reduction in volumes (in cubic meters) and the related reduction in gas costs is
8 shown in Schedule 3 on the Ontario Delivered Gas line.

9
10 NRG had to purchase additional gas supplies in January, 2012 in order to balance on the
11 Union Gas system at the end of February, 2012. This balancing forecast, which was
12 provided by Union Gas, was based on normal weather. Customer consumption on an
13 actual basis was lower than forecast due primarily to warmer than normal weather in
14 March. This resulted in NRG being over supplied as it approached its second balancing
15 point with Union Gas at the end of September, 2012.

16
17 Additional gas may be purchased in the period leading up to the end of February of each
18 year if required for NRG to meet its forecast banked gas account winter balancing
19 checkpoint on the Union Gas system if consumption is greater than forecast. The Board
20 approved this requirement for Bundled-T customers on Union's system in RP-2003-0063
21 (Decisions with Reasons, dated March 18, 2004).

22
23 As shown in Schedule 3 in the Ontario Delivered Gas line, NRG was required to
24 purchase additional gas in February, 2013. The amount purchased was 419,444 m³
25 (15,834 GJ) at a cost of \$55,894. This gas was required because of higher than
26 forecasted consumption primarily in the months of October and November, 2012. The
27 price for this gas was \$3.53/GJ, as shown in Schedule 4.

28
29 Obligated deliveries to Union by NRG on behalf of both system gas customers and direct
30 purchase customers has been set at 2,063 GJ/day effective October 1, 2012. The direct

purchase customer assignment was 171 GJ/day in October, 2012, declining to 154 GJ/day in November, 2012, and increasing to 158 GJ/day in April, 2013, where it is forecast to remain through June, 2014. These changes allow direct purchase customers to bring their supplies more in line with their actual and projected consumption. This resulted in deliveries for system gas customers of 1,892 GJ/day in October, 2012, 1,909 GJ/day in November, 2012 through March, 2013 and 1,905 GJ/day in April, 2013 and subsequent months.

The composition of these obligated system gas deliveries over this period is as follows. Parkway deliveries are forecast to be 1,500 GJ/day over the entire November, 2012 through June, 2014 period. Obligated deliveries for system gas customers at AECO were 409 GJ/day in November, 2012 through March, 2013 and 405 GJ/day in April, 2013 and subsequent months.

The composition of the gas purchases for direct purchase and system gas customers for the November, 2012 through June, 2014 period is shown in the following table. Please note that these figures do not include the direct purchase deliveries associated with a large ethanol plant served by NRG.

GJ/s per Day

Delivery Point	Nov. 2012 - March, 2014	April, 2013 – June, 2014
Direct Purchase	154	158
AECO	409	405
Parkway	1,500	1,500
Dawn	<u>0</u>	<u>0</u>
Total	2,063	2,063

In addition to the obligated deliveries described above, NRG purchases gas from a local producer in its franchise area.

The composition of the gas supply portfolio volumes for the July, 2012 through June, 2013 period is shown on the top of Schedule 3. This schedule shows the monthly volume of gas purchased or forecast to be purchased from local producers, obligated deliveries at

1 Parkway and the Alberta border (Western), and balancing gas (Dawn or Ontario
2 delivered gas). Similarly, the composition of the gas supply portfolio volumes for the
3 July, 2013 through June, 2014 period is shown on the top of Schedule 6.

4 5 Gas Costs

6 NRG's actual and forecast gas costs for the July, 2012 through June, 2013 period, by
7 source of supply, are shown in Schedule 4 in \$/GJ. These prices are also shown in the
8 middle section of Schedule 3 in \$/m³. The conversion factor used is based on the heat
9 values used by Union Gas in their calculation of NRG's Banked Gas Account balances.
10 The conversion factors used are also shown in Schedule 4. All prices shown are actual
11 prices paid in July, 2012 through April, 2013. Prices for the remaining months in this
12 period are based on estimated and contracted prices to be paid in those months.

13
14 Prices for July, 2013 through June, 2014 are based on prices averaged over 10 days in the
15 period May 16, 2013 through May 31, 2013 (pricing reports were not available for May
16 17 and 27). These prices, which have been sourced from the Shell Energy North
17 America report entitled 'Daily Energy Market Update', have been utilized in calculating
18 the prices shown in Schedule 7 in \$/GJ and in the middle section of Schedule 6 in \$/m³.
19 The source of the foreign exchange rates used in the calculations is the daily noon
20 exchange rates for the 10-year lookup from the Bank of Canada that are available on their
21 website at www.bankofcanada.ca/rates/exchange.

22
23 Gas prices for each of the sources of supply are described below. In addition to the
24 above, contracted prices have been used where purchase decisions have been made.

25 26 NRG Corp. Pricing

27 The first source of supply noted in Schedules 4 and 7 is "Local Production (A)" and
28 "Local Production (B)". This refers to gas that is produced in NRG's franchise area and
29 purchased from a related company.

30

1 The Board issued a Decision and Order - Phase 2 for EB-2010-0018 dated May 17, 2012
2 in which the Board indicated that NRG would be permitted to recover from ratepayers a
3 maximum annual quantity of 1.0 million cubic metres of natural gas at a rate of \$8.486
4 per mcf (or \$0.3012/m³). In the EB-2012-0262 Decision and Order dated June 21, 2012,
5 the Board accepted prorated volumes for the remainder of NRG's fiscal year (to
6 September 30, 2012) as set out in a response to an interrogatory from Board Staff. In
7 particular, the prorated volumes at the \$0.3012 per m³ rate included 84,931 m³ for July
8 and August and 82,192 m³ for September. These figures can be seen in Schedule 3 on
9 the line labeled "Local Production (A)". The price, as set by the Board, can be seen in the
10 corresponding line of the price section of Schedule 3.

11
12 The remaining gas purchased from NRG Corp. is shown in the line labeled "Local
13 Production (B)". This gas is priced at the approved Union Gas Ontario landed reference
14 price for each quarter. In particular, the July through September, 2012 price is \$0.182406
15 per m³, reflecting the Board's Decision and Order in EB-2012-0249 dated June 19, 2012.
16 The October through December, 2012 price is \$0.190046 per m³, reflecting the Board's
17 Decision and Order in EB-2012-0345 dated September 19, 2012. The January, 2013
18 through March, 2013 price is \$0.210506 per m³, reflecting the Board's Decision and
19 Order in EB-2012-0437 dated December 17, 2012. The April, 2013 through June, 2013
20 price is \$0.207215 per m³, reflecting the Board's Decision and Order in EB-2013-0033
21 dated March 19, 2013. These prices are shown in Schedule 3.

22
23 The NRG Corp. prices over the July, 2013 through June, 2014 period shown in Schedule
24 6 reflect the Board approved price of \$0.301200 per m³ for 1,000,000 m³ as shown on the
25 Local Production (A) line. The remaining gas forecast to be purchased from NRG Corp.
26 is shown on the Local Production (B) line. The price forecast for this gas has been taken
27 from the Union's QRAM application in EB-2013-0215 dated June 6, 2013, where the
28 Ontario landed reference price has been forecast as \$0.224994 per m³.

At the time this application was prepared the Union Gas QRAM price for July 1, 2013 rates was not yet approved by the Board. Any differences between the applied for and Board approved Ontario landed reference price for Union will be reflected in NRG's next QRAM application and evidence.

NRG also purchases gas for delivery at Parkway and Empress. The pricing of this gas at these delivery points is discussed below.

Empress Pricing

The Empress price over the July, 2013 through June, 2014 period shown in Schedule 7 (Western Deliveries) is based on a combination of actual contracted prices and forecasted prices. The average Empress delivery rate is \$4.033/GJ in July, 2013, 4.039/GJ in August, \$4.044/GJ in September and October, \$4.466/GJ in November through March, 2014 and \$4.426/GJ in April, 2014 through June, 2014. Fuel costs of 4% are included in these rates.

The average Empress delivery price includes a mix of fixed price contracts over the July, 2013 through June, 2014 period. Over this period, the Empress delivery price includes a forecast price for the remainder of the purchases.

The following table shows the current mix of volumes and prices over the forecast period.

<u>Contracted?</u>	<u>Empress Deliveries</u>									
	<u>July</u>		<u>August</u>		<u>Sept. - Oct.</u>		<u>November - March</u>		<u>April - June</u>	
	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ
Yes	180	4.420	180	4.420	180	4.420	180	4.910	180	4.910
No	<u>225</u>	<u>3.445</u>	<u>225</u>	<u>3.454</u>	<u>225</u>	<u>3.464</u>	<u>225</u>	<u>3.802</u>	<u>225</u>	<u>3.733</u>
Total	405	3.878	405	3.883	405	3.889	405	4.294	405	4.256
with Fuel (4%)		4.033		4.039		4.044		4.466		4.426

The prices shown for the 225 GJ/day that has not been contracted for in July, 2013 through June, 2014 are based on the average price forecasts from the May 16, 2013 through May 31, 2013 period.

The calculations used to forecast the Empress delivery prices are shown in the following table. The only calculation used in the table is the calculation of the 10 day average. The prices used are shown in the Daily Energy Market Report as the price at Empress, AB in Cdn\$/GJ.

Empress Delivery Price Forecast

			Sep-13	Nov-13	Apr-14
	<u>Jul-13</u>	<u>Aug-13</u>	<u>Oct-13</u>	<u>Mar-14</u>	<u>Jun-14</u>
16-May-13	3.24	3.25	3.26	3.62	3.58
20-May-13	3.42	3.44	3.45	3.80	3.73
21-May-13	3.51	3.52	3.53	3.87	3.79
22-May-13	3.52	3.53	3.54	3.88	3.79
23-May-13	3.58	3.59	3.59	3.91	3.82
24-May-13	3.54	3.55	3.56	3.90	3.81
28-May-13	3.51	3.52	3.52	3.86	3.79
29-May-13	3.47	3.48	3.49	3.83	3.76
30-May-13	3.31	3.31	3.33	3.67	3.64
31-May-13	3.35	3.35	3.37	3.68	3.62
10 Day Average	3.445	3.454	3.464	3.802	3.733

Parkway Pricing

The Parkway price over the July, 2013 through June, 2014 period shown in Schedule 7 is based on a combination of actual contracted prices and forecasted prices. The average Parkway delivery rate forecast is \$4.555/GJ in July through October, 2013, \$4.907/GJ in November, 2013 through March, 2014 and \$4.897/GJ in April, 2014 through June, 2014.

The average Parkway delivery price includes a mix of fixed price contracts and amounts that are not contracted for over this period. The following table shows the current mix of volumes and prices over the forecast period.

<u>Parkway Deliveries</u>										
<u>Contracted?</u>	<u>July</u>		<u>August</u>		<u>Sept. - Oct.</u>		<u>November - March</u>		<u>April - June</u>	
	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ
Yes	414	3.980	414	3.980	414	3.980	114	4.350	114	4.350
Yes	414	3.950	414	3.950	414	3.950	114	4.350	114	4.350
Yes	600	5.400	600	5.400	600	5.400	600	5.720	600	5.720
Yes	0	0.000	0	0.000	0	0.000	600	4.340	600	4.340
No	<u>72</u>	<u>4.305</u>	<u>72</u>	<u>4.306</u>	<u>72</u>	<u>4.305</u>	<u>72</u>	<u>4.619</u>	<u>72</u>	<u>4.407</u>
Total	1,500	4.555	1,500	4.555	1,500	4.555	1,500	4.907	1,500	4.897

The prices shown for the 72 GJ/day that has not been contracted for in July, 2013 through June, 2014 are based on the average price forecasts from the May 16, 2013 through May 31, 2013 period.

The calculations used to forecast the Parkway delivery prices are shown in the following table. The prices used are shown in the Daily Energy Market Report as prices at Henry Hub along with a Niagara , ON basis. These two prices are added together to arrive at a proxy for the Parkway price. These prices from the Market Report are in US\$/MMBtu and as a result need to be converted to Cdn\$/GJ. This is accomplished through the use of a conversion factor of 1.054615 to convert MMBtu to GJ and through the use of the foreign exchange rate. The formula used is (Henry Hub Price + Niagara Basis) / 1.054615 x Foreign Exchange Rate. These calculations are show below for each of the different pricing periods available.

<u>Parkway Delivery Price Forecast</u>					
	Henry Hub (US\$/MMBtu)	Niagara Basis	MMBtu -GJ	F/X	\$/ GJ (Cdn)
<u>July-13</u>					
16-May-13	3.980	0.23	1.054615	1.0163	4.06
20-May-13	4.140	0.23	1.054615	1.0269	4.26
21-May-13	4.240	0.23	1.054615	1.0277	4.36
22-May-13	4.230	0.25	1.054615	1.0333	4.39
23-May-13	4.310	0.24	1.054615	1.0310	4.45
24-May-13	4.280	0.25	1.054615	1.0323	4.43
28-May-13	4.220	0.25	1.054615	1.0371	4.40

29-May-13	4.180	0.26	1.054615	1.0370	4.37
30-May-13	4.020	0.26	1.054615	1.0309	4.18
31-May-13	3.980	0.27	1.054615	1.0339	4.17
10 Day Average					4.305

August-13

16-May-13	4.010	0.22	1.054615	1.0163	4.08
20-May-13	4.160	0.22	1.054615	1.0269	4.26
21-May-13	4.260	0.22	1.054615	1.0277	4.37
22-May-13	4.250	0.23	1.054615	1.0333	4.39
23-May-13	4.320	0.23	1.054615	1.0310	4.45
24-May-13	4.300	0.23	1.054615	1.0323	4.43
28-May-13	4.240	0.23	1.054615	1.0371	4.40
29-May-13	4.200	0.23	1.054615	1.0370	4.36
30-May-13	4.040	0.23	1.054615	1.0309	4.17
31-May-13	4.000	0.24	1.054615	1.0339	4.16
10 Day Average					4.306

September-13 - October-13

16-May-13	3.990	0.23	1.054615	1.0163	4.07
20-May-13	4.150	0.23	1.054615	1.0269	4.26
21-May-13	4.240	0.24	1.054615	1.0277	4.37
22-May-13	4.240	0.24	1.054615	1.0333	4.39
23-May-13	4.300	0.25	1.054615	1.0310	4.45
24-May-13	4.280	0.25	1.054615	1.0323	4.43
28-May-13	4.220	0.25	1.054615	1.0371	4.40
29-May-13	4.190	0.24	1.054615	1.0370	4.36
30-May-13	4.060	0.21	1.054615	1.0309	4.17
31-May-13	4.030	0.21	1.054615	1.0339	4.16
10 Day Average					4.305

1

November-13 - March-14

16-May-13	4.250	0.33	1.054615	1.0163	4.41
20-May-13	4.410	0.32	1.054615	1.0269	4.61
21-May-13	4.490	0.32	1.054615	1.0277	4.69
22-May-13	4.480	0.32	1.054615	1.0333	4.70
23-May-13	4.520	0.32	1.054615	1.0310	4.73
24-May-13	4.510	0.32	1.054615	1.0323	4.73
28-May-13	4.450	0.32	1.054615	1.0371	4.69
29-May-13	4.420	0.32	1.054615	1.0370	4.66
30-May-13	4.280	0.32	1.054615	1.0309	4.50

	31-May-13	4.240	0.32	1.054615	1.0339	4.47
10 Day Average						4.619

April-14 - June-14

	16-May-13	4.170	0.22	1.054615	1.0163	4.23
	20-May-13	4.290	0.21	1.054615	1.0269	4.38
	21-May-13	4.360	0.21	1.054615	1.0277	4.45
	22-May-13	4.350	0.22	1.054615	1.0333	4.48
	23-May-13	4.390	0.21	1.054615	1.0310	4.50
	24-May-13	4.380	0.21	1.054615	1.0323	4.49
	28-May-13	4.340	0.21	1.054615	1.0371	4.47
	29-May-13	4.310	0.21	1.054615	1.0370	4.44
	30-May-13	4.210	0.21	1.054615	1.0309	4.32
	31-May-13	4.170	0.21	1.054615	1.0339	4.29
10 Day Average						4.407

1

2 **Dawn Pricing**

3 NRG is forecasting the need to purchase gas in September, 2013. This gas is required to
4 ensure that NRG remains within its contract parameters with Union Gas. The forecasted
5 price for this Dawn gas is \$4.406/GJ and is based on price forecasts from the May 16,
6 2013 through May 31, 2013 period for September, 2013 deliveries.

7

8 The calculations used to forecast the Dawn purchase price are shown in the following
9 table. The relevant prices used are shown in the Daily Energy Market Report as prices at
10 Henry Hub along with a Dawn, ON basis. These two prices are added together to arrive
11 at a proxy for the Dawn price. These prices from the Market Report are in US\$/MMBtu
12 and as a result need to be converted to Cdn\$/GJ. This is accomplished through the use of
13 a conversion factor of 1.054615 to convert MMBtu to GJ and through the use of the
14 foreign exchange rate. The formula used is (Henry Hub Price + Dawn Basis) / 1.054615
15 x Foreign Exchange Rate.

Dawn Delivery Price Forecast

Henry Hub (US\$/MMBtu)	Dawn Basis	MMBtu -GJ	F/X	\$/ GJ (Cdn)
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Sep-13

16-May-13	3.990	0.33	1.054615	1.0163	4.16
20-May-13	4.150	0.33	1.054615	1.0269	4.36
21-May-13	4.240	0.34	1.054615	1.0277	4.46
22-May-13	4.240	0.34	1.054615	1.0333	4.49
23-May-13	4.300	0.35	1.054615	1.0310	4.55
24-May-13	4.280	0.35	1.054615	1.0323	4.53
28-May-13	4.220	0.35	1.054615	1.0371	4.49
29-May-13	4.190	0.35	1.054615	1.0370	4.46
30-May-13	4.060	0.32	1.054615	1.0309	4.28
31-May-13	4.030	0.32	1.054615	1.0339	4.26
10 Day Average					<u>4.406</u>

Other Forecast Assumptions

A number of other assumptions have been used to calculate the projected balance in the PGCVA. As shown on Schedules 4 and 7, the fuel ratio for Western deliveries has been forecast at 4.0%. This ratio has been reflected in the forecast prices shown in the schedules for Western deliveries.

TCPL tolls have been forecast at a rate of \$2.2429/GJ. This rate reflects the current tolls approved by the National Energy Board.

PGCVA Balance

The projected June, 2013 balance in the PGCVA is a credit of \$7,846.51 including a debit of \$43,565.29 in accumulated interest, based on the Board's prescribed interest rate. This estimate is based on actual and forecasted purchases and the balance brought forward from June, 2012. The PGCVA credit amounts to a rebate of approximately \$0.74 for a typical residential customer consuming approximately 1,938 m³ per year. These figures are shown on Schedule 2.

Proposed PGCVA Rate Changes

NRG proposes to adjust the reference price effective July 1, 2013 based on the projected accumulated balance in the PGCVA as of the end of June, 2013 and the forecasted cost of

1 gas over the 12 month period beginning July, 2013 and ending June, 2014. The reference
2 price is set such that the projected PGCVA balance at the end of June, 2014 is close to
3 zero.

4
5 NRG's proposal will clear the PGCVA balance on a prospective basis, eliminating the
6 need for retroactive adjustments. This is consistent with NRG's past proposals in QRAM
7 applications, which have been accepted by the Board.

8
9 NRG proposes to change the reference price by \$0.005927 per m³ effective July 1, 2013,
10 from \$0.194355 per m³ to \$0.200282 per m³. The derivation of this rate is shown in
11 Schedule 5. This is the reference price required to bring the PGCVA balance close to
12 zero on a twelve month forecast basis. This change will also be reflected in the gas
13 commodity charge.

14 15 **GAS PURCHASE REBALANCING ACCOUNT**

16 The impact on the GPRA of the proposed July 1, 2013 PGCVA reference price change
17 from \$0.194355 per m³ to \$0.200282 per m³ is a debit of \$9,131.30, as shown on
18 Schedule 8. This figure is shown in column (J) of Schedule 8 and on the June, 2013 line.
19 It is calculated as the change in the PGCVA reference price between June and July,
20 multiplied by the cumulative inventory balance at the end of June. This cumulative
21 inventory balance is the sum of the actual monthly inventory balances for April, 2013 and
22 forecasts for the subsequent months. These forecasts will be replaced with actual
23 balances for these months in subsequent QRAM applications as this information becomes
24 available. As well, the monthly inventory balances are based on a deemed level of
25 unaccounted for gas ("UFG") of the total throughput volume, as shown in column (E) of
26 Schedule 8. The 0.0% is the Board approved level of UFG from EB-2010-0018.

27
28 NRG proposes to adjust the gas commodity charge effective July 1, 2013 based on the
29 projected accumulated balance in the GPRA. The adjustment to the gas commodity
30 charge will be set such that the projected GPRA balance at the end of June, 2014, will be

close to zero. The rate required to achieve this is shown in column (K) on Schedule 8. Column (P) shows the reduction of the inventory revaluation balance based on this rate of \$0.000208 per m³ over the July, 2013 through June, 2014 period.

NRG's proposal will clear the GPRA balance on a prospective basis, eliminating the need for retroactive adjustments. This is consistent with NRG's proposal for the continued prospective clearance of the PGCVA. This change will also be reflected in the gas commodity charge.

GAS COMMODITY CHARGE

The system gas supply cost of \$0.000363 per m³ will be maintained at the level approved in EB-2010-0018. This figure represents the incremental costs over and above the commodity and transportation costs that form the PGCVA reference price to the gas supply function. These incremental costs are portions administrative and general expenses, regulatory and consulting fees associated with the QRAM applications, return on rate base (working cash allowance related to gas commodity) and income taxes. This functionalization is unchanged from that approved in EB-2010-0018.

The change in the gas commodity charge proposed for July 1, 2013 is summarized below. The change in the gas commodity charge reflects both the change in the PGCVA reference price and the change in the recovery of the inventory revaluation amount in the GPRA. The change in the gas commodity charge is as follows:

	EB-2013-0052 <u>April 1, 2013</u>	Proposed <u>July 1, 2013</u>	<u>Difference</u>
PGCVA Reference Price	\$0.194355	\$0.200282	\$0.005927
GPRA Recovery	\$(0.000431)	\$0.000208	\$0.000639
System Gas Supply Cost	<u>\$0.000363</u>	<u>\$0.000363</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.194287	\$0.200853	\$0.006566

SUMMARY

In summary, NRG proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.194355 by \$0.005927 to \$0.200282 per m³ effective July 1, 2013. Appendix B contains the accounting entries related to the PGCVA.

NRG also proposes to change the gas supply charge from \$0.194287 to \$0.200853 per m³ effective July 1, 2013. This change reflects the change in the PGCVA reference price, as described above, the change related to the recovery of the GPRA balance, also as described above, and the continuation of the system gas supply cost. These changes apply to all system gas customers served under Rates 1, 2, 3, 4, 5 and 6.

The proposed rate schedules are attached as Appendix A. The proposed customer notices are attached as Appendix C.

Schedule 9 provides a residential bill comparison showing the impact of the proposed changes on a year over year basis for the appropriate quarter as well as the annual bill impact of the most recent quarterly change. The annual bill impact related to the change in the commodity charges on a customer consuming approximately 2,009 m³ is an increase of \$13.19.

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2012 TO JUNE, 2013

<u>Act/Fcst</u>	<u>Month</u>	<u>Purchase Cost (\$'s)</u>	<u>M*3</u>	<u>Actual/Forecast Price (\$/M*3)</u>	<u>Reference Price (\$/M*3)</u>	<u>Unit Rate Difference (\$/M*3)</u>	<u>Monthly PGCVA (\$'s)</u>	<u>Y-T-D PGCVA (\$'s) (1)</u>	<u>Monthly Interest (\$'s)</u>	<u>Y-T-D Interest (\$'s) (2)</u>	<u>Total PGCVA (\$'s)</u>	<u>Total Y-T-D PGCVA (\$'s)</u>	<u>Average Residential Consumption (M*3)</u>	<u>Monthly Interest Rate</u>
Actual	July	326,487	1,714,202	0.190460	0.185634	(0.004826)	-8,272.74	122,339.81	160.00	-44,262.66	-8,112.74	78,077.15	30.1	1.47%
Actual	August	325,378	1,713,897	0.189847	0.185634	(0.004213)	-7,220.65	115,119.16	149.87	-44,112.79	-7,070.78	71,006.37	33.1	1.47%
Actual	September	213,500	744,491	0.286773	0.185634	(0.101139)	-75,297.06	39,822.10	141.02	-43,971.77	-75,156.04	-4,149.67	46.4	1.47%
Actual	October	335,397	1,783,950	0.188008	0.185799	(0.002209)	-3,940.75	35,881.35	48.78	-43,922.99	-3,891.97	-8,041.64	120.8	1.47%
Actual	November	333,669	1,745,371	0.191174	0.185799	(0.005375)	-9,381.37	26,499.98	43.95	-43,879.04	-9,337.42	-17,379.06	199.2	1.47%
Actual	December	350,718	1,818,550	0.192856	0.185799	(0.007057)	-12,833.50	13,666.48	32.46	-43,846.58	-12,801.04	-30,180.10	261.7	1.47%
Actual	January	349,035	1,815,215	0.192283	0.194790	0.002507	4,550.74	18,217.22	16.74	-43,829.84	4,567.48	-25,612.62	324.1	1.47%
Actual	February	370,121	2,041,598	0.181290	0.194790	0.013500	27,561.57	45,778.79	22.32	-43,807.52	27,583.89	1,971.27	305.5	1.47%
Actual	March	348,286	1,815,025	0.191891	0.194790	0.002899	5,261.76	51,040.55	56.08	-43,751.44	5,317.84	7,289.11	287.8	1.47%
Actual	April	340,750	1,747,021	0.195046	0.194355	(0.000691)	-1,207.19	49,833.36	62.52	-43,688.92	-1,144.67	6,144.44	186.6	1.47%
Forecast	May	341,657	1,764,371	0.193643	0.194355	0.000712	1,256.23	51,089.59	61.05	-43,627.87	1,317.28	7,461.72	89.7	1.47%
Forecast	June	<u>332,785</u>	<u>1,713,907</u>	<u>0.194167</u>	0.194355	0.000188	<u>322.21</u>	<u>51,411.80</u>	<u>62.58</u>	<u>-43,565.29</u>	<u>384.79</u>	<u>7,846.51</u>	<u>53.1</u>	1.47%
	Total	3,967,783	20,417,598	0.194332			-79,200.75	51,411.80	857.37	-43,565.29	-78,343.38	7,846.51	1,938.1	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.000384
Forecast Average Residential Consumption per Customer 1,938.1 M*3
Estimated Impact on Average Residential Customer \$0.74 Customer Rebate

(1) Includes balance of 130,612.55 as of June, 2012
(2) Includes balance of -44,422.66 as of June, 2012

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JULY, 2012 TO JUNE, 2013

	<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>	<u>Jun-13</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	84,931	84,931	82,192	84,931	82,192	84,931	84,932	76,712	84,931	82,192	84,932	82,192	999,999
Local Production (B)	194,355	184,824	166,229	153,443	165,658	187,660	177,791	144,095	175,656	170,970	115,068	117,808	1,953,557
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	1,154,400	1,161,823	1,124,424	1,225,351	1,176,680	1,214,740	1,219,874	1,103,732	1,221,402	1,176,268	1,231,788	1,192,053	14,202,535
Western Delivery	280,516	282,320	308,665	320,225	320,841	331,219	332,619	300,951	333,036	317,592	332,583	321,854	3,782,422
Ontario Delivered Gas	0	0	<u>-937,020</u>	0	0	0	0	<u>416,107</u>	0	0	0	0	<u>-520,913</u>
Total	1,714,202	1,713,897	744,491	1,783,950	1,745,371	1,818,550	1,815,215	2,041,598	1,815,025	1,747,021	1,764,371	1,713,907	20,417,598
<u>Price (\$/m3)</u>													
Local Production (A)	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	
Local Production (B)	0.182406	0.182406	0.182406	0.190046	0.190046	0.190046	0.210506	0.210506	0.210506	0.207215	0.207215	0.207215	
Dawn Delivery	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Parkway Delivery	0.173928	0.172816	0.172804	0.169686	0.173430	0.174092	0.172536	0.172566	0.172137	0.174335	0.172480	0.172631	
Western Delivery	0.144537	0.145846	0.136667	0.142009	0.142869	0.149626	0.141657	0.148318	0.141251	0.151924	0.155190	0.157153	
Ontario Delivered Gas	0.000000	0.000000	0.111464	0.000000	0.000000	0.000000	0.000000	0.134326	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Local Production (A)	25,581	25,581	24,756	25,581	24,756	25,581	25,582	23,106	25,581	24,756	25,582	24,756	301,200
Local Production (B)	35,451	33,713	30,321	29,161	31,483	35,664	37,426	30,333	36,977	35,427	23,844	24,412	384,212
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	200,782	200,782	194,305	207,924	204,071	211,476	210,472	190,467	210,249	205,065	212,459	205,785	2,453,838
Western Delivery	40,545	41,175	42,184	45,475	45,838	49,559	47,118	44,636	47,042	48,250	51,614	50,580	554,016
Ontario Delivered Gas	0	0	-104,444	0	0	0	0	55,894	0	0	0	0	-48,550
TCPL Transportation	<u>24,127</u>	<u>24,127</u>	<u>26,377</u>	<u>27,256</u>	<u>27,520</u>	<u>28,438</u>	<u>28,438</u>	<u>25,686</u>	<u>28,438</u>	<u>27,251</u>	<u>28,160</u>	<u>27,251</u>	<u>323,067</u>
Total	326,487	325,378	213,500	335,397	333,669	350,718	349,035	370,121	348,286	340,750	341,657	332,785	3,967,783

NATURAL RESOURCE GAS LIMITED

ACTUAL AND FORECAST GAS PRICES

HISTORICAL TWELVE MONTH PERIOD - JULY, 2012 TO JUNE, 2013

	<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>	<u>Jun-13</u>
<u>Local Production</u>												
Local Production (A) (\$/GJ)	7.855	7.905	7.906	7.937	7.876	7.868	7.902	7.915	7.912	7.873	7.979	7.979
Local Production (B) (\$/GJ)	4.757	4.787	4.788	5.008	4.969	4.965	5.522	5.532	5.529	5.416	5.489	5.489
<u>Dawn</u> (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<u>Parkway</u> (\$/GJ)	4.536	4.536	4.536	4.472	4.535	4.548	4.526	4.535	4.521	4.557	4.569	4.573
<u>Western Deliveries</u> (\$/GJ)	3.769	3.828	3.587	3.742	3.736	3.909	3.716	3.898	3.710	3.971	4.111	4.163
Fuel Ratio (%)	0.86%	1.44%	1.02%	1.53%	2.45%	3.42%	4.40%	4.05%	4.09%	2.72%	4.00%	4.00%
<u>TCPL Transportation</u> (\$/GJ)												
TCPL Toll	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900
GJ/day (TCPL)	347	347	392	392	409	409	409	409	409	405	405	405
Delivery Commitment Credit (\$/GJ)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GJ/day (Obligated)	1,775	1,775	1,820	1,892	1,909	1,909	1,909	1,909	1,909	1,905	1,905	1,905
<u>Ontario Delivered Gas</u> (\$/GJ)	0.000	0.000	2.926	0.000	0.000	0.000	0.000	3.530	0.000	0.000	0.000	0.000
Heat Value (GJ/103m3)	38.35	38.10	38.10	37.95	38.24	38.28	38.12	38.05	38.07	38.26	37.75	37.75

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2013 TO JUNE, 2014
(WITH CHANGE IN REFERENCE PRICE)

Month	Purchase Cost (\$'s)	M*3	Forecast Price (\$/M*3)	Reference Price (\$/M*3)	Unit Rate Difference (\$/M*3)	Monthly PGCVA (\$'s)	Y-T-D PGCVA (\$'s) (1)	Monthly Interest (\$'s)	Y-T-D Interest (\$'s) (2)	Total PGCVA (\$'s)	Total Y-T-D PGCVA (\$'s)	Average Residential Consumption (M*3)	Monthly Interest Rate
July	342,072	1,764,371	0.193878	0.200282	0.006404	11,299.03	62,710.83	62.98	-43,502.31	11,362.01	19,208.52	40.9	1.47%
August	342,147	1,764,371	0.193920	0.200282	0.006362	11,224.93	73,935.76	76.82	-43,425.49	11,301.75	30,510.27	42.8	1.47%
September	463,599	2,501,366	0.185338	0.200282	0.014944	37,380.42	111,316.18	90.57	-43,334.92	37,470.99	67,981.26	58.5	1.47%
October	342,210	1,764,371	0.193956	0.200282	0.006326	11,161.41	122,477.59	136.36	-43,198.56	11,297.77	79,279.03	118.7	1.47%
November	353,590	1,713,907	0.206307	0.200282	(0.006025)	-10,326.29	112,151.30	150.04	-43,048.52	-10,176.25	69,102.78	202.7	1.47%
December	363,877	1,764,371	0.206236	0.200282	(0.005954)	-10,505.06	101,646.24	137.39	-42,911.13	-10,367.67	58,735.11	321.8	1.47%
January	363,877	1,764,371	0.206236	0.200282	(0.005954)	-10,505.06	91,141.18	124.52	-42,786.61	-10,380.54	48,354.57	355.2	1.47%
February	333,017	1,612,980	0.206461	0.200282	(0.006179)	-9,966.60	81,174.58	111.65	-42,674.96	-9,854.95	38,499.62	293.2	1.47%
March	363,877	1,764,371	0.206236	0.200282	(0.005954)	-10,505.06	70,669.52	99.44	-42,575.52	-10,405.62	28,094.00	246.2	1.47%
April	352,655	1,713,907	0.205761	0.200282	(0.005479)	-9,390.50	61,279.02	86.57	-42,488.95	-9,303.93	18,790.07	186.6	1.47%
May	362,910	1,764,371	0.205688	0.200282	(0.005406)	-9,538.19	51,740.83	75.07	-42,413.88	-9,463.12	9,326.95	89.7	1.47%
June	<u>352,655</u>	<u>1,713,907</u>	<u>0.205761</u>	0.200282	(0.005479)	<u>-9,390.50</u>	<u>42,350.33</u>	<u>63.38</u>	<u>-42,350.50</u>	<u>-9,327.12</u>	<u>-0.17</u>	<u>53.1</u>	1.47%
Total	4,336,486	21,606,664	0.200701			-9,061.47	42,350.33	1,214.79	-42,350.50	-7,846.68	-0.17	2,009.4	

PGCVA Balance per M*3 Purchased (\$/M*3) (\$0.000000)
Forecast Average Residential Consumption per Customer 2,009.4 M*3
Estimated Impact on Average Residential Customer \$0.00 Customer Charge

(1) Includes June, 2013 year-to-date balance of \$51,411.80 (See Schedule 2)
(2) Includes June, 2013 year-to-date balance of (\$43,565.29) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JULY, 2013 TO JUNE, 2014

	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	84,932	84,932	82,192	84,932	82,192	84,932	84,932	76,708	84,932	82,192	84,932	82,192	1,000,000
Local Production (B)	115,068	115,068	117,808	115,068	117,808	115,068	115,068	123,292	115,068	117,808	115,068	117,808	1,400,000
Dawn Delivery	0	0	787,459	0	0	0	0	0	0	0	0	0	787,459
Parkway Delivery	1,231,788	1,231,788	1,192,053	1,231,788	1,192,053	1,231,788	1,231,788	1,112,583	1,231,788	1,192,053	1,231,788	1,192,053	14,503,311
Western Delivery	332,583	332,583	321,854	332,583	321,854	332,583	332,583	300,397	332,583	321,854	332,583	321,854	3,915,894
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,764,371	1,764,371	2,501,366	1,764,371	1,713,907	1,764,371	1,764,371	1,612,980	1,764,371	1,713,907	1,764,371	1,713,907	21,606,664
<u>Price (\$/m3)</u>													
Local Production (A)	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	0.301200	
Local Production (B)	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	0.224994	
Dawn Delivery	0.000000	0.000000	0.166327	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Parkway Delivery	0.171951	0.171951	0.171951	0.171951	0.185239	0.185239	0.185239	0.185239	0.185239	0.184862	0.184862	0.184862	
Western Delivery	0.152246	0.152472	0.152661	0.152661	0.168592	0.168592	0.168592	0.168592	0.168592	0.167082	0.167082	0.167082	
Ontario Delivered Gas	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
<u>Total Gas Cost (\$)</u>													
Local Production (A)	25,582	25,582	24,756	25,582	24,756	25,582	25,582	23,104	25,582	24,756	25,582	24,756	301,200
Local Production (B)	25,890	25,890	26,506	25,890	26,506	25,890	25,890	27,740	25,890	26,506	25,890	26,506	314,992
Dawn Delivery	0	0	130,976	0	0	0	0	0	0	0	0	0	130,976
Parkway Delivery	211,807	211,807	204,975	211,807	220,815	228,175	228,175	206,094	228,175	220,365	227,711	220,365	2,620,272
Western Delivery	50,634	50,710	49,135	50,772	54,262	56,071	56,071	50,645	56,071	53,776	55,569	53,776	637,491
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
TCPL Transportation	28,160	28,160	27,251	28,160	27,251	28,160	28,160	25,434	28,160	27,251	28,160	27,251	331,557
Total	342,072	342,147	463,599	342,210	353,590	363,877	363,877	333,017	363,877	352,655	362,910	352,655	4,336,486

[illegible]

NATURAL RESOURCE GAS LIMITED

GAS PURCHASE REBALANCING ACCOUNT

JULY, 2012 THROUGH JUNE, 2014

Month	Purchase Volume (M ³) A	Throughput Volume (M ³) B	Direct Purchase Volume (M ³) C	System Sales Volume (M ³) D=B-C	Deemed U.F.G. (M ³) E	System Sales + U.F.G. (M ³) F=D+E	Monthly Inventory Balance (M ³) G=A-F	Cumulative Inventory (M ³) H (1)	Reference Price (\$/M ³) I	Inventory Revaluation (\$s) J	Inventory Rate (\$/M ³) K	Inventory Recovery (\$s) L=KxD	Y-T-D GPRA Balance (\$s) M (2)	Monthly Interest (\$s) N	Y-T-D Interest (\$s) O (3)	Total Y-T-D GPRA (\$s) P=M+O	Monthly Interest Rate
July	1,714,202	2,540,336	2,108,846	431,490	0	431,490	1,282,712	1,931,599	0.185634	0.00	(0.002812)	-1,213.35	43,170.60	54.37	5,526.30	48,696.90	1.47%
August	1,713,897	3,564,686	2,665,141	899,545	0	899,545	814,352	2,745,951	0.185634	0.00	(0.002812)	-2,529.52	40,641.08	52.88	5,579.18	46,220.26	1.47%
September	744,491	4,134,589	2,646,772	1,487,817	0	1,487,817	-743,326	2,002,624	0.185634	330.43	(0.002812)	-4,183.74	36,787.77	49.79	5,628.97	42,416.74	1.47%
October	1,783,950	5,181,761	2,893,060	2,288,701	0	2,288,701	-504,751	1,497,874	0.185799	0.00	(0.002614)	-5,982.66	30,805.11	45.07	5,674.04	36,479.15	1.47%
November	1,745,371	5,816,210	2,995,856	2,820,354	0	2,820,354	-1,074,983	422,891	0.185799	0.00	(0.002614)	-7,372.41	23,432.70	37.74	5,711.78	29,144.48	1.47%
December	1,818,550	5,680,299	3,003,587	2,676,712	0	2,676,712	-858,162	-435,271	0.185799	-3,913.52	(0.002614)	-6,996.93	12,522.25	28.71	5,740.49	18,262.74	1.47%
January	1,815,215	6,213,182	3,043,400	3,169,782	0	3,169,782	-1,354,567	-1,789,838	0.194790	0.00	(0.001484)	-4,703.96	7,818.29	15.34	5,755.83	13,574.12	1.47%
February	2,041,598	5,681,622	2,683,725	2,997,897	0	2,997,897	-956,299	-2,746,137	0.194790	0.00	(0.001484)	-4,448.88	3,369.41	9.58	5,765.41	9,134.82	1.47%
March	1,815,025	5,605,131	2,715,187	2,889,944	0	2,889,944	-1,074,919	-3,821,056	0.194790	1,662.16	(0.001484)	-4,288.68	742.89	4.13	5,769.54	6,512.43	1.47%
April	1,747,021	4,698,823	2,729,809	1,969,014	0	1,969,014	-221,993	-4,043,049	0.194355	0.00	(0.000431)	-848.65	-105.76	0.91	5,770.45	5,664.69	1.47%
May	1,764,371	3,141,595	2,661,298	480,297	0	480,297	1,284,074	-2,758,975	0.194355	0.00	(0.000431)	-207.01	-312.77	-0.13	5,770.32	5,457.55	1.47%
June	1,713,907	3,133,595	2,638,035	495,560	0	495,560	1,218,347	-1,540,628	0.194355	-9,131.30	(0.000431)	-213.59	-9,657.66	-0.38	5,769.94	-3,887.72	1.47%
July	1,764,371	3,137,595	2,646,622	490,973	0	490,973	1,273,398	-267,230	0.200282	0.00	0.000208	102.12	-9,555.54	-11.83	5,758.11	-3,797.43	1.47%
August	1,764,371	3,245,595	2,639,204	606,391	0	606,391	1,157,980	890,750	0.200282	0.00	0.000208	126.13	-9,429.41	-11.71	5,746.40	-3,683.01	1.47%
September	2,501,366	3,141,595	2,699,547	442,048	0	442,048	2,059,318	2,950,068	0.200282	0.00	0.000208	91.95	-9,337.46	-11.55	5,734.85	-3,602.61	1.47%
October	1,764,371	4,621,595	2,783,246	1,838,349	0	1,838,349	-73,978	2,876,090	0.200282	0.00	0.000208	382.38	-8,955.08	-11.44	5,723.41	-3,231.67	1.47%
November	1,713,907	5,421,595	2,807,687	2,613,908	0	2,613,908	-900,001	1,976,089	0.200282	0.00	0.000208	543.69	-8,411.39	-10.97	5,712.44	-2,698.95	1.47%
December	1,764,371	5,421,595	2,795,357	2,626,238	0	2,626,238	-861,867	1,114,222	0.200282	0.00	0.000208	546.26	-7,865.13	-10.30	5,702.14	-2,162.99	1.47%
January	1,764,371	5,921,595	2,824,409	3,097,186	0	3,097,186	-1,332,815	-218,593	0.200282	0.00	0.000208	644.21	-7,220.92	-9.63	5,692.51	-1,528.41	1.47%
February	1,612,980	5,421,595	2,807,462	2,614,133	0	2,614,133	-1,001,153	-1,219,746	0.200282	0.00	0.000208	543.74	-6,677.18	-8.85	5,683.66	-993.52	1.47%
March	1,764,371	5,121,595	2,744,961	2,376,634	0	2,376,634	-612,263	-1,832,009	0.200282	0.00	0.000208	494.34	-6,182.84	-8.18	5,675.48	-507.36	1.47%
April	1,713,907	4,221,595	2,685,665	1,535,930	0	1,535,930	177,977	-1,654,032	0.200282	0.00	0.000208	319.47	-5,863.37	-7.57	5,667.91	-195.46	1.47%
May	1,764,371	3,141,595	2,661,298	480,297	0	480,297	1,284,074	-369,958	0.200282	0.00	0.000208	99.90	-5,763.47	-7.18	5,660.73	-102.74	1.47%
June	1,713,907	3,133,595	2,638,035	495,560	0	495,560	1,218,347	848,389	0.200282	0.00	0.000208	103.08	-5,660.39	-7.06	5,653.67	-6.72	1.47%

(1) Includes balance of 648,887 as of June, 2012
(2) Includes balance of 44,383.95 as of June, 2012
(3) Includes balance of 5,471.93 as of June, 2012

NATURAL RESOURCE GAS LIMITED

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jul-12 <u>EB-2012-0262</u>	Quarter Starting 01-Jul-13 <u>EB-2013-0205</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	142.2	142.2		
Monthly Charges	\$40.50	\$40.50	\$0.00	0.0%
Delivery Charges	\$21.90	\$22.15	\$0.25	1.1%
Total Commodity Charges	<u>\$26.05</u>	<u>\$28.56</u>	<u>\$2.51</u>	<u>9.6%</u>
Total Customer Charges	\$88.45	\$91.21	\$2.76	3.1%

ANNUAL BILL IMPACT

	01-Apr-13 <u>EB-2013-0052</u>	01-Jul-13 <u>EB-2013-0205</u>	\$ Change	Percent Change
Average Residential Consumption	2,009.4	2,009.4		
Monthly Charges	\$162.00	\$162.00	\$0.00	0.0%
Delivery Charges	\$312.96	\$312.96	\$0.00	0.0%
Total Commodity Charges	<u>\$390.40</u>	<u>\$403.59</u>	<u>\$13.19</u>	<u>3.4%</u>
Total Customer Charges	\$865.36	\$878.56	\$13.19	1.5%

RATES USED

	01-Jul-12 <u>EB-2012-0262</u>	01-Apr-13 <u>EB-2013-0052</u>	01-Jul-13 <u>EB-2013-0205</u>
Monthly charge	13.50	13.50	13.50
Delivery Charge	0.154014	0.155749	0.155749
Total Commodity Charge	0.183185	0.194287	0.200853

**APPENDIX “A” TO
DECISION AND ORDER
BOARD FILE No. EB-2013-0205
DATED JUNE XX, 2013**

NATURAL RESOURCE GAS LIMITED

RATE 1 - General Service Rate

Rate Availability

The entire service area of the Company.

Eligibility

All customers.

Rate

a)	Monthly Fixed Charge	\$13.50
	Rate Rider for Shared Tax Savings - effective until September 30, 2013	\$(0.21)
	Rate Rider for Deferred Revenue Recovery - effective until September 30, 2013	\$0.33
b)	Delivery Charge	
	First 1,000 m ³ per month	15.5749 cents per m ³
	All over 1,000 m ³ per month	10.6124 cents per m ³
c)	Gas Supply Charge and System Gas Refund Rate Rider (if applicable)	Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE 2 - Seasonal Service

Rate Availability

The entire service area of the company.

Eligibility

All customers.

Rate

For all gas consumed from:	April 1 through October 31:	November 1 through March 31:
a) Monthly Fixed Charge	\$15.00	\$15.00
Rate Rider for Shared Tax Savings – effective until September 30, 2013	\$(0.38)	
Rate Rider for Deferred Revenue Recovery – effective until September 30, 2013	\$0.62	
b) Delivery Charge		
First 1,000 m ³ per month	14.3199 cents per m ³	18.0500 cents per m ³
Next 24,000 m ³ per month	9.4826 cents per m ³	15.6960 cents per m ³
All over 25,000 m ³ per month	6.1698 cents per m ³	15.2899 cents per m ³
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading, provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE 3 - Special Large Volume Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a combined daily contracted demand for firm and interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 113,000 m³.

Rate

1. Bills will be rendered monthly and shall be the total of:

- a) A Monthly Customer Charge:

A Monthly Customer Charge of \$150.00 for firm or interruptible customers; or
A Monthly Customer Charge of \$175.00 for combined (firm and interruptible) customers.

Rate Rider for Shared Tax Savings - effective until September 30, 2013	\$(16.68)
Rate Rider for Deferred Revenue Recovery - effective until September 30, 2013	\$26.88

- b) A Monthly Demand Charge:

A Monthly Demand Charge of 29.0974 cents per m³ for each m³ of daily contracted firm demand.

- c) A Monthly Delivery Charge:

- (i) A Monthly Firm Delivery Charge for all firm volumes of 3.8232 cents per m³,
- (ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 10.9612 cents per m³ and not to be less than 7.9412 per m³.

- d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

- e) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then,

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 3 Firm Delivery Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual

maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions;
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE 4 - General Service Peaking

Rate Availability

The entire service area of the company.

Eligibility

All customers whose operations, in the judgment of Natural Resource Gas Limited, can readily accept interruption and restoration of gas service with 24 hours notice.

Rate

For all gas consumed from:	April 1 through December 31:	January 1 through March 31:
a) Monthly Fixed Charge	\$15.00	\$15.00
Rate Rider for Shared Tax Savings - effective until September 30, 2013	\$(1.10)	
Rate Rider for Deferred Revenue Recovery - effective until September 30, 2013	\$1.77	
b) Delivery Charge		
First 1,000 m ³ per month	15.0175cents per m ³	19.1583 cents per m ³
All over 1,000 m ³ per month	10.5218 cents per m ³	16.9052 cents per m ³
c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable)		Schedule A

Meter Readings

Gas consumption by each customer under this rate schedule shall be determined by monthly meter reading provided that in circumstances beyond the control of the company such as strikes or non-access to a meter, the company may estimate the consumption each month as of the scheduled date of the regular monthly meter reading and render a monthly bill to the customer thereof.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE 5 - Interruptible Peaking Contract Rate

Rate Availability

Entire service area of the company.

Eligibility

A customer who enters into a contract with the company for the purchase or transportation of gas:

- a) for a minimum term of one year;
- b) that specifies a daily contracted demand for interruptible service of at least 700 m³; and
- c) a qualifying annual volume of at least 50,000 m³.

Rate

1. Bills will be rendered monthly and shall be the total of:

- a) Monthly Fixed Charge \$150.00.

Rate Rider for Shared Tax Savings - effective until September 30, 2013 \$(6.04)
Rate Rider for Deferred Revenue Recovery - effective until September 30, 2013 \$9.73

- b) A Monthly Delivery Charge:

A Monthly Delivery Charge for all interruptible volumes to be negotiated between the company and the customer not to exceed 8.4612 cents per m³ and not to be less than 5.4612 per m³.

- c) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

- d) Overrun Gas Charge:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, the customer should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to the customer on such day, or if, on any day, the customer fails to comply with any curtailment notice reducing the customer's take of gas, then

- (i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or
- (ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any applicable Gas Supply Charge.

For any unauthorized overrun gas taken, the customer shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c) above, the matters to be considered include:

- a) The volume of gas for which the customer is willing to contract;
- b) The load factor of the customer's anticipated gas consumption and the pattern of annual use and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions;
- d) Competition.

3. In each contract year, the customer shall take delivery from the company, or in any event pay for it if available and not accepted by the customer, a minimum volume of gas of 50,000 m³. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this annual minimum shall be 6.9766 cents per m³ for interruptible gas.

Bundled Direct Purchase Delivery

Where a customer elects under this rate schedule to directly purchase its gas from a supplier other than NRG, the customer or their agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to customers who elect said Bundled T transportation service.

Unless otherwise authorized by NRG, customers who are delivering gas to NRG under direct purchase arrangements must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE 6 – Integrated Grain Processors Co-Operative Aylmer Ethanol Production Facility

Rate Availability

Rate 6 is available to the Integrated Grain Processors Co-Operative, Aylmer Ethanol Production Facility only.

Eligibility

Integrated Grain Processors Co-Operative's ("IGPC") ethanol production facility located in the Town of Aylmer

Rate

1. Bills will be rendered monthly and shall be the total of:

a) Monthly Customer Charge of \$150.00 for firm services

Rate Rider for Shared Tax Savings - effective until September 30, 2013	\$(602.06)
Rate Rider for Deferred Revenue Recovery - effective until September 30, 2013	\$970.00

b) A Monthly Demand Charge:

A Monthly Demand Charge of 18.3255 cents per m³ for each m³ of daily contracted firm demand.

c) A Monthly Delivery Charge:

(i) A Monthly Firm Delivery Charge for all firm volumes of 3.7832 cents per m³,

(ii) A Monthly Interruptible Delivery Charge for all interruptible volumes to be negotiated between the company and IGPC not to exceed 10.9612 cents per m³ and not to be less than 7.9412 per m³.

d) Gas Supply Charge and System Gas Refund Rate Rider (if applicable) Schedule A

e) Overrun Gas Charges:

Overrun gas is available without penalty provided that it is authorized by the company in advance. The company will not unreasonably withhold authorization.

If, on any day, IGPC should take, without the company's approval in advance, a volume of gas in excess of the maximum quantity of gas which the company is obligated to deliver to IGPC on such day, or if, on any day, IGPC fails to comply with any curtailment notice reducing IGPC's take of gas, then,

(i) the volume of gas taken in excess of the company's maximum delivery obligation for such day, or

(ii) the volume of gas taken in the period on such day covered by such curtailment notice (as determined by the company in accordance with its usual practice) in excess of the volume of gas authorized to be taken in such period by such curtailment notice,

as the case may be, shall constitute unauthorized overrun volume.

Any unauthorized firm overrun gas taken in any month shall be paid for at the Rate 6 Firm Delivery Charge in effect at the time the overrun occurs. In addition, the Contract Demand level shall be adjusted to the actual maximum daily volume taken and the Demand Charges stated above shall apply for the whole contract year, including retroactively, if necessary, thereby requiring recomputation of bills rendered previously in the contract year.

Any unauthorized interruptible overrun gas taken in any month shall be paid for at the Rate 1 Delivery Charge in effect at the time the overrun occurs plus any Gas Supply Charge applicable.

For any unauthorized overrun gas taken, IGPC shall, in addition, indemnify the company in respect of any penalties or additional costs imposed on the company by the company's suppliers, any additional gas cost incurred or any sales margins lost as a consequence of the customer taking the unauthorized overrun volume.

2. In negotiating the Monthly Interruptible Commodity Charge referred to in 1(c)(ii) above, the matters to be considered include:

- a) The volume of gas for which IGPC is willing to contract;
- b) The load factor of IGPC's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which IGPC is willing to contract to take or in any event pay for;
- c) Interruptible or curtailment provisions;
- d) Competition.

3. In each contract year, IGPC shall take delivery from the company, or in any event pay for it if available and not accepted by the IGPC, a minimum volume of gas as specified in the contract between the parties. Overrun volumes will not contribute to the minimum volume. The rate applicable to the shortfall from this minimum shall be 3.1530 cents per m³ for firm gas and 5.4412 cents per m³ for interruptible gas.

4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the IGPC during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the transition period). In such event, the contract will provide for a Monthly Firm Delivery Commodity Charge to be applied on such volume during the transition of 5.7163 cents per m³ and a gas supply commodity charge as set out in Schedule A, if applicable. Gas purchased under this clause will not contribute to the minimum volume.

Bundled Direct Purchase Delivery

Where IGPC elects under this rate schedule to directly purchase its gas from a supplier other than NRG, IGPC or its agent, must enter into a Bundled T-Service Receipt Contract with NRG for delivery of gas to NRG. Bundled T-Service Receipt Contract rates are described in rate schedule BT1. The gas supply charge will not be applicable to IGPC if it elects said Bundled T transportation service.

Unless otherwise authorized by NRG, IGPC, when delivering gas to NRG under direct purchase arrangements, must obligate to deliver said gas at a point acceptable to NRG, and must acquire and maintain firm transportation on all pipeline systems upstream of Ontario.

Delayed Payment Penalty

When payment is not made in full by the due date noted on the bill, which date shall not be less than 16 calendar days after the date of mailing, hand delivery or electronic transmission of the bill, the balance owing will be increased by 1.5%. Any balance remaining unpaid in subsequent months will be increased by a further 1.5% per month. The minimum delayed payment penalty shall be one dollar (\$1.00).

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

SCHEDULE A – Gas Supply Charges

Rate Availability

Entire service area of the company.

Eligibility

All customers served under Rates 1, 2, 3, 4, 5 and 6.

Rate

The Gas Supply Charge applicable to all sales customers shall be made up of the following charges:

PGCVA Reference Price	(EB-2013-0205)	20.0282 cents per m ³
GPRA Recovery Rate	(EB-2013-0205)	0.0208 cents per m ³
System Gas Fee	(EB-2010-0018)	<u>0.0363</u> cents per m ³
Total Gas Supply Charge		<u>20.0853</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

RATE BT1 – Bundled Direct Purchase Contract Rate

Availability

Rate BT1 is available to all customers or their agent, who enter into a Receipt Contract for delivery of gas to NRG. The availability of this option is subject to NRG obtaining a satisfactory agreement or arrangement with Union Gas and NRG's gas supplier for direct purchase volume and DCQ offsets.

Eligibility

All customers electing to purchase gas directly from a supplier other than NRG must enter into a Bundled T-Service Receipt Contract with NRG either directly or through their agent, for delivery of gas to NRG at a mutually acceptable delivery point.

Rate

For gas delivered to NRG at any point other than the Ontario Point of Delivery, NRG will charge a customer or their agent, all approved tolls and charges incurred by NRG to transport the gas to the Ontario Point of Delivery.

Note:

Ontario Point of Delivery means Dawn or Parkway on the Union Gas System as agreed to by NRG and NRG's customer or their agent.

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

NATURAL RESOURCE GAS LIMITED

Transmission Service

Availability

Transmission Service charges shall be applied to Natural Resource Gas Corp.

Eligibility

Only Natural Resource Gas Corp. shall be charged the Transmission Service Rate. Fees and Charges will be applied only in those months that NRG Corp. delivers gas to a delivery point on NRG's system.

Rate

Administrative Charge	\$250/month
Transportation Rate	\$0.95/mcf

Effective: July 01, 2013

Implementation: All bills rendered on or after July 01, 2013

EB-2013-0205

**APPENDIX “B” TO
DECISION AND ORDER
BOARD FILE No. EB-2013-0205
DATED JUNE XX, 2013**

NATURAL RESOURCE GAS LIMITED

Accounting Entries for the Purchased Gas Commodity 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.

To record monthly as a debit (credit) in Deferral Account No. 179-27 (PGCVA) the decrease (increase) to reflect the projected changes in gas costs and prospective recovery of the balances of the gas supply deferral accounts approved by the Board for rate making purposes.

Debit/Credit Account No. 179-27 Purchased Gas Commodity Variance Account (PGCVA)

Credit/Debit Account No. 623 Cost of Gas

To record as a debit (credit) in Deferral Account No. 179-28, interest on the balance in Deferral Account

Debit/Credit Account No. 179-28 Purchased Gas Commodity Variance Account (PGCVA)

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.

**APPENDIX “C” TO
DECISION AND ORDER
BOARD FILE No. EB-2013-0205
DATED JUNE XX, 2013**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

On all bills rendered by NRG on or after July 1, 2013, the price we charge for the gas commodity and transportation portion of your bill will be increasing by \$0.006566 per cubic meter to \$0.200853 per cubic meter. The Ontario Energy Board (OEB) has approved this change to reflect the prices that NRG expects that it will be paying to its gas suppliers through to the end of June, 2014. On your gas bill this cost is on the line entitled "Gas Commodity".

As a regulated utility, NRG is permitted to recover what it pays for the purchase of gas plus any costs reasonably associated with this purchase but with no mark up or 'profit'. The price the utility charges you is based on the forecasted gas and transportation costs to NRG, which are periodically reviewed by the OEB and reconciled with actual costs. The gas commodity portion gets adjusted regularly throughout the year as the price of the gas commodity changes.

How will this price change impact you? That will depend on the amount of gas that you use. For a typical residential customer who consumes approximately 2,009 cubic meters of gas annually, this price change will cause your annual heating costs to increase by approximately \$13 per year. For customers who have arranged to have their gas supplied by a gas marketer/broker, the price may or may not change depending on the terms of the contract the customer has with the gas marketer/broker.

If you have any questions about this rate change, please do not hesitate to contact us at 519-773-5321. We thank you for continuing to make natural gas your fuel of choice.