

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 January 1, 2014;

AND IN THE MATTER OF the Quarterly Rate
Adjustment Mechanism.

APPLICATION

1. As part of the EB-2013-0317 Decision and Order dated September 19, 2013 the Board approved a PGCVA reference price of \$0.183191 per m³ and a gas supply charge of \$0.186596 per m³, both effective October 1, 2013.
2. Based on actual and forecast natural gas prices for the January, 2013 through December, 2013 period the PGCVA balance is projected to be a rebate of approximately \$10.20 per residential customer.
3. NRG hereby applies to the Board for further orders effective January 1, 2014 as follows:
 - a) an order changing the reference price authorized by the Board's EB-2013-0317 Decision and Order for use in determining the amounts to be recorded in the Purchased Gas Commodity Variance Account (Account No. 179-27) by \$0.000492 per m³ from the Board approved level of \$0.183191 per m³ to \$0.183683 per m³;
 - b) an order changing the rates and other charges from those authorized by the Board's EB-2013-0317 Decision and Order to reflect a projected

\$0.001220 per m³ change in the gas supply charge from the Board approved level of \$0.186596 m³ to a projected cost of \$0.185376 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, December 11, 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, December 14, 2013.
- * The Board issues its Decision and Order by Wednesday, December 25, 2013 for implementation effective January 1, 2014.

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

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Dated at London, Ontario, this 6th day of December, 2013.

NATURAL RESOURCE GAS LIMITED

Laurie O'Meara
Controller

NATURAL RESOURCE GAS LIMITED

INTRODUCTION

As part of the EB-2013-0317 Decision and Order dated September 19, 2013 the Board approved a Purchased Gas Commodity Variance Account (“PGCVA”) reference price of \$0.183191 per m³ and a gas supply charge of \$0.186596 per m³, both effective October 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-2013-0317, the Board approved a GPRA rate of \$0.003042 per m³.

NRG is proposing to adjust the gas supply charge, the GPRA rate and the PGCVA reference price effective January 1, 2014 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 \$10.20 per residential customer for the twelve month period ending December, 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.

1 The PGCVA balance has been calculated using the most recent information available,
2 including actual volumes and costs through October, 2013. The remaining months in the
3 twelve-month period ending December, 2013 are calculated using estimated prices based
4 on the best information available at the time of filing.

5
6 Forecast prices have been used for the period January, 2014 through December, 2014
7 period, except where actual contracted prices are available.

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

11
12 Gas Supply Portfolio

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

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

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

28
29 As indicated above, NRG is required to balance its supply with its demand on the Union
30 system to within +/- 4% at the end of the contract year under its bundled transportation

1 contract with Union. The bundled transportation contract year-end corresponds with the
2 end of NRG's fiscal year (September 30). NRG purchases additional balancing gas or
3 sells gas and/or reduces deliveries such that total demand on the Union system is offset
4 by the supply provided to Union Gas to remain within the contract parameters.

5
6 As shown in Schedule 3 on the Ontario Delivered Gas line, NRG purchased additional
7 gas in August, 2013, in the amount of 1,818,172 m³ (69,800 GJ) at a cost of \$284,426.
8 This additional gas was needed to ensure the NRG was within its contractual parameters
9 with Union Gas as of the year-end of the transportation contract, as noted above. The
10 price for this gas was \$4.075/GJ, as shown in Schedule 4. Similarly, NRG purchased an
11 additional 328,686 m³ (12,524 GJ) at a cost of \$50,925. The price for this was was
12 \$4.05/GJ, as also shown in Schedule 4.

13
14 Additional gas may be purchased in the period leading up to the end of February of each
15 year if required for NRG to meet its forecast banked gas account winter balancing
16 checkpoint on the Union Gas system if consumption is greater than forecast. The Board
17 approved this requirement for Bundled-T customers on Union's system in RP-2003-0063
18 (Decisions with Reasons, dated March 18, 2004).

19
20 As shown in Schedule 3 in the Ontario Delivered Gas line, NRG was required to
21 purchase additional gas in February, 2013. The amount purchased was 416,107 m³
22 (15,834 GJ) at a cost of \$55,894. This gas was required because of higher than
23 forecasted consumption primarily in the months of October and November, 2012. The
24 price for this gas was \$3.53/GJ, as shown in Schedule 4.

25
26 Obligated deliveries to Union by NRG on behalf of both system gas customers and direct
27 purchase customers has been set at 2,294 GJ/day effective October 1, 2013, an increase
28 from the previous level of 2,063 GJ/day. The increase of 231 GJ/day reflects growing
29 volumes at NRG and is shown in the following table as an increase from 1,500 GJ/day at
30 Parkway to 1,731 GJ/day.

The direct purchase customer assignment was 173 GJ/day in September, 2013, increasing to 187 GJ/day in November, 2013, where it is forecast to remain through December, 2014. These changes allow direct purchase customers to bring their supplies more in line with their actual and projected consumption. This results in deliveries for system gas customers of 1,890 GJ/day in September, 2013, 2,121 GJ/day in October, 2013 and 2,107 GJ/day in November, 2013 and in subsequent months.

The composition of these obligated system gas deliveries over this period is as follows. Parkway deliveries were 1,500 GJ/day in September, 2013, rising to 1,731 GJ/day in October, 2013 and remaining at this level through December, 2014. Obligated deliveries for system gas customers at AECO were 390 in September, 2013 and October, 2013, declining to 376 GJ/day for November, 2013 and subsequent months.

The composition of the gas purchases for direct purchase and system gas customers for the September, 2013 through December, 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	Sept., 2013	Oct., 2013	Nov., 2013 - Dec., 2014
Direct Purchase	173	173	187
AECO	390	390	376
Parkway	1,500	1,731	1,731
Dawn	<u>0</u>	<u>0</u>	<u>0</u>
Total	2,063	2,294	2,294

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 January, 2013 through December, 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 Parkway and the Alberta border (Western), and balancing gas

(Dawn or Ontario delivered gas). Similarly, the composition of the gas supply portfolio volumes for the January, 2014 through December, 2014 period is shown on the top of Schedule 6.

Gas Costs

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

Prices for January, 2014 through December, 2014 are based on prices averaged over 10 days in the period November 15, 2013 through November 29, 2013 (no report was available for November 28, 2013). These prices, which have been sourced from the Shell Energy North America report entitled 'Daily Energy Market Update', have been utilized in calculating the prices shown in Schedule 7 in \$/GJ and in the middle section of Schedule 6 in \$/m³. The source of the foreign exchange rates used in the calculations is the daily noon exchange rates for the 10-year lookup from the Bank of Canada that are available on their website at www.bankofcanada.ca/rates/exchange.

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

NRG Corp. Pricing

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

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). This price, as set by the Board, can be seen in the line labeled
5 "Local Production (A)" of the price section of Schedule 3.

6
7 The remaining gas purchased from NRG Corp. is shown in the line labeled "Local
8 Production (B)". This gas is priced at the approved Union Gas Ontario landed reference
9 price for each quarter. The January, 2013 through March, 2013 price is \$0.210506 per
10 m³, reflecting the Board's Decision and Order in EB-2012-0437 dated December 17,
11 2012. The April, 2013 through June, 2013 price is \$0.207215 per m³, reflecting the
12 Board's Decision and Order in EB-2013-0033 dated March 19, 2013. The July, 2013
13 through September, 2013 price is \$0.224994, reflecting the Board's Decision and Order in
14 EB-2013-0215 dated June 19, 2013. The October, 2013 through December, 2013 price is
15 \$0.181632, reflecting the Board's Decision and Order in EB-2013-0316 dated September
16 19, 2013. These prices are shown in Schedule 3.

17
18 The NRG Corp. prices over the January, 2014 through December, 2014 period shown in
19 Schedule 6 reflect the Board approved price of \$0.301200 per m³ for 1,000,000 m³ as
20 shown on the Local Production (A) line. The remaining gas forecast to be purchased
21 from NRG Corp. is shown on the Local Production (B) line. The price forecast for this
22 gas has been taken from the Union's QRAM application in EB-2013-0413 dated
23 December 5, 2013, where the Ontario landed reference price has been forecast as
24 \$0.185325 per m³.

25
26 At the time this application was prepared the Union Gas QRAM price for January 1, 2014
27 rates was not yet approved by the Board. Any differences between the applied for and
28 Board approved Ontario landed reference price for Union will be reflected in NRG's next
29 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 January, 2014 through December, 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 \$4.212/GJ in January, 2014, 4.236/GJ in February, 2014, \$4.217/GJ in March, 2014 through October, 2014 and \$4.208/GJ in November and December, 2014. Fuel costs of 4% are included in these rates.

The average Empress delivery price includes a mix of fixed price contracts over the January, 2014 through December, 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>Empress Deliveries</u>								
<u>Contracted?</u>	<u>January</u>		<u>February</u>		<u>March - October</u>		<u>November - December</u>	
	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ
Yes	180	4.910	180	4.910	180	4.910	180	4.910
No	<u>196</u>	<u>3.261</u>	<u>196</u>	<u>3.304</u>	<u>196</u>	<u>3.270</u>	<u>196</u>	<u>3.252</u>
Total	376	4.050	376	4.073	376	4.055	376	4.046
with Fuel (4%)		4.212		4.236		4.217		4.208

The prices shown for the 196 GJ/day that has not been contracted for in January, 2014 through December, 2014 are based on the average price forecasts from the November 15, 2013 through November 29, 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

	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u> <u>Oct-14</u>	<u>Nov-14</u> <u>Dec-14</u>
15-Nov-13	3.19	3.18	3.15	3.14
18-Nov-13	3.10	3.09	3.07	3.07
19-Nov-13	3.05	3.04	3.04	3.04
20-Nov-13	3.18	3.17	3.16	3.17
21-Nov-13	3.24	3.24	3.22	3.21
22-Nov-13	3.35	3.35	3.31	3.29
25-Nov-13	3.38	3.48	3.38	3.35
26-Nov-13	3.31	3.43	3.42	3.39
27-Nov-13	3.43	3.50	3.45	3.41
29-Nov-13	3.38	3.56	3.50	3.45
10 Day Average	3.261	3.304	3.270	3.252

Parkway Pricing

The Parkway price over the January, 2014 through December, 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 \$4.687/GJ in January, 2014, \$4.689/GJ in February, 2014, \$4.680/GJ in March, 2014 through October, 2014 and \$4.675/GJ in November, 2014 through December, 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.

Parkway Deliveries

<u>Contracted?</u>	<u>January</u>		<u>February</u>		<u>March - October</u>		<u>November - December</u>	
	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ	GJ/day	\$/GJ
Yes	114	4.350	114	4.350	114	4.350	114	4.350
Yes	114	4.350	114	4.350	114	4.350	114	4.350
Yes	600	5.720	600	5.720	600	5.720	600	5.720
Yes	600	4.340	600	4.340	600	4.340	600	4.340
No	<u>303</u>	<u>3.582</u>	<u>303</u>	<u>3.596</u>	<u>303</u>	<u>3.540</u>	<u>303</u>	<u>3.512</u>
Total	1,731	4.687	1,731	4.689	1,731	4.680	1,731	4.675

The prices shown for the 303 GJ/day that has not been contracted for in January, 2014 through December, 2014 are based on the average price forecasts from the November 15, 2013 through November 29, 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>January-14</u>					
15-Nov-13	3.710	-0.20	1.054615	1.0447	3.48
18-Nov-13	3.670	-0.21	1.054615	1.0432	3.42
19-Nov-13	3.610	-0.22	1.054615	1.0471	3.37
20-Nov-13	3.710	-0.21	1.054615	1.0447	3.47
21-Nov-13	3.740	-0.20	1.054615	1.0521	3.53
22-Nov-13	3.810	-0.21	1.054615	1.0524	3.59
25-Nov-13	3.840	-0.18	1.054615	1.0548	3.66
26-Nov-13	3.860	-0.15	1.054615	1.0530	3.70
27-Nov-13	3.900	-0.15	1.054615	1.0595	3.77
29-Nov-13	3.950	-0.15	1.054615	1.0620	3.83
10 Day Average					<u>3.582</u>
<u>February-14</u>					
15-Nov-13	3.710	-0.18	1.054615	1.0447	3.50
18-Nov-13	3.670	-0.21	1.054615	1.0432	3.42
19-Nov-13	3.610	-0.21	1.054615	1.0471	3.38
20-Nov-13	3.720	-0.20	1.054615	1.0447	3.49
21-Nov-13	3.740	-0.20	1.054615	1.0521	3.53
22-Nov-13	3.810	-0.19	1.054615	1.0524	3.61

25-Nov-13	3.850	-0.18	1.054615	1.0548	3.67
26-Nov-13	3.870	-0.13	1.054615	1.0530	3.73
27-Nov-13	3.900	-0.14	1.054615	1.0595	3.78
29-Nov-13	3.960	-0.14	1.054615	1.0620	3.85
10 Day Average					3.596

March-14 - October-14

15-Nov-13	3.730	-0.26	1.054615	1.0447	3.44
18-Nov-13	3.700	-0.28	1.054615	1.0432	3.38
19-Nov-13	3.640	-0.28	1.054615	1.0471	3.34
20-Nov-13	3.740	-0.26	1.054615	1.0447	3.45
21-Nov-13	3.770	-0.26	1.054615	1.0521	3.50
22-Nov-13	3.820	-0.26	1.054615	1.0524	3.55
25-Nov-13	3.860	-0.24	1.054615	1.0548	3.62
26-Nov-13	3.880	-0.20	1.054615	1.0530	3.67
27-Nov-13	3.900	-0.22	1.054615	1.0595	3.70
29-Nov-13	3.940	-0.22	1.054615	1.0620	3.75
10 Day Average					3.540

November-14 - December-14

15-Nov-13	3.760	-0.31	1.054615	1.0447	3.42
18-Nov-13	3.720	-0.32	1.054615	1.0432	3.36
19-Nov-13	3.670	-0.32	1.054615	1.0471	3.33
20-Nov-13	3.760	-0.30	1.054615	1.0447	3.43
21-Nov-13	3.790	-0.30	1.054615	1.0521	3.48
22-Nov-13	3.840	-0.30	1.054615	1.0524	3.53
25-Nov-13	3.880	-0.29	1.054615	1.0548	3.59
26-Nov-13	3.890	-0.25	1.054615	1.0530	3.63
27-Nov-13	3.910	-0.28	1.054615	1.0595	3.65
29-Nov-13	3.950	-0.28	1.054615	1.0620	3.70
10 Day Average					3.512

1

2 **Dawn Pricing**

3 NRG is not forecasting the need to purchase gas in September, 2014. This gas could be
4 required to ensure that NRG remains within its contract parameters with Union Gas. For
5 completeness, NRG has provided forecast price data for September, 2014. The
6 forecasted price for this Dawn gas is \$3.839/GJ and is based on price forecasts from the
7 November 15, 2013 through November 29, 2013 period for September, 2014 deliveries.

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

Dawn Delivery Price Forecast

	Henry Hub (US\$/MMBtu)	Dawn Basis	MMBtu -GJ	F/X	\$/ GJ (Cdn)
<u>September-14</u>					
15-Nov-13	3.730	0.04	1.054615	1.0447	3.73
18-Nov-13	3.700	0.02	1.054615	1.0432	3.68
19-Nov-13	3.640	0.02	1.054615	1.0471	3.63
20-Nov-13	3.740	0.04	1.054615	1.0447	3.74
21-Nov-13	3.770	0.04	1.054615	1.0521	3.80
22-Nov-13	3.820	0.04	1.054615	1.0524	3.85
25-Nov-13	3.860	0.06	1.054615	1.0548	3.92
26-Nov-13	3.880	0.10	1.054615	1.0530	3.97
27-Nov-13	3.900	0.08	1.054615	1.0595	4.00
29-Nov-13	3.940	0.08	1.054615	1.0620	4.05
10 Day Average					<u>3.839</u>

9

10 **Other Forecast Assumptions**

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

15

16 TCPL tolls have been forecast at a rate of \$1.5405/GJ. This rate reflects the current tolls
 17 approved by the National Energy Board.

18

1 PGCVA Balance

2 The projected December, 2013 balance in the PGCVA is a credit of \$123,442.48
3 including a debit of \$42,493.51 in accumulated interest, based on the Board's prescribed
4 interest rate. This estimate is based on actual and forecasted purchases and the balance
5 brought forward from December, 2012. The PGCVA credit amounts to a rebate of
6 approximately \$10.20 for a typical residential customer consuming approximately 1,978
7 m³ per year. These figures are shown on Schedule 2.

8

9 Proposed PGCVA Rate Changes

10 NRG proposes to adjust the reference price effective January 1, 2014 based on the
11 projected accumulated balance in the PGCVA as of the end of December, 2013 and the
12 forecasted cost of gas over the 12 month period beginning January, 2014 and ending
13 December, 2014. The reference price is set such that the projected PGCVA balance at
14 the end of December, 2014 is close to zero.

15

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

19

20 NRG proposes to change the reference price by \$0.000492 per m³ effective January 1,
21 2014, from \$0.183191 per m³ to \$0.183683 per m³. The derivation of this rate is shown
22 in Schedule 5. This is the reference price required to bring the PGCVA balance close to
23 zero on a twelve month forecast basis. This change will also be reflected in the gas
24 commodity charge.

25

26 **GAS PURCHASE REBALANCING ACCOUNT**

27 The impact on the GPRA of the proposed January 1, 2014 PGCVA reference price
28 change from \$0.183191 per m³ to \$0.183683 per m³ is a credit of \$355.16, as shown on
29 Schedule 8. This figure is shown in column (J) of Schedule 8 and on the December, 2013
30 line. It is calculated as the change in the PGCVA reference price between December and

1 January, multiplied by the cumulative inventory balance at the end of December. This
2 cumulative inventory balance is the sum of the actual monthly inventory balances for
3 September, 2013 and forecasts for the subsequent months. These forecasts will be
4 replaced with actual balances for these months in subsequent QRAM applications as this
5 information becomes available. As well, the monthly inventory balances are based on a
6 deemed level of unaccounted for gas ("UFG") of the total throughput volume, as shown
7 in column (E) of Schedule 8. The 0.0% is the Board approved level of UFG from EB-
8 2010-0018.

9
10 NRG proposes to adjust the gas commodity charge effective January 1, 2014 based on the
11 projected accumulated balance in the GPRA. The adjustment to the gas commodity
12 charge will be set such that the projected GPRA balance at the end of December, 2014,
13 will be close to zero. The rate required to achieve this is shown in column (K) on
14 Schedule 8. Column (P) shows the reduction of the inventory revaluation balance based
15 on this rate of \$0.001330 per m³ over the January, 2014 through December, 2014 period.

16
17 NRG's proposal will clear the GPRA balance on a prospective basis, eliminating the need
18 for retroactive adjustments. This is consistent with NRG's proposal for the continued
19 prospective clearance of the PGCVA. This change will also be reflected in the gas
20 commodity charge.

21 22 **GAS COMMODITY CHARGE**

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

The change in the gas commodity charge proposed for January 1, 2014 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-2013-0317 Oct. 1, 2013	Proposed Jan. 1, 2014	Difference
PGCVA Reference Price	\$0.183191	\$0.183683	\$0.000492
GPRA Recovery	\$0.003042	\$0.001330	\$0.(001712)
System Gas Supply Cost	<u>\$0.000363</u>	<u>\$0.000363</u>	<u>\$0.000000</u>
Gas Commodity Charge	\$0.186596	\$0.185376	\$(0.001220)

SUMMARY

In summary, NRG proposes to change the reference price for amounts to be recorded in the Purchased Gas Commodity Variance Account from \$0.183191 by \$0.000492 to \$0.183683 per m³ effective January 1, 2014. Appendix B contains the accounting entries related to the PGCVA.

NRG also proposes to change the gas supply charge from \$0.186596 to \$0.185376 per m³ effective January 1, 2014. 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

1 in the commodity charges on a customer consuming approximately 2,009 m³ is a
2 decrease of \$2.45.

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NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT - PROJECTED BALANCE

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2013 TO DECEMBER, 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	January	349,035	1,815,215	0.192283	0.194790	0.002507	4,550.74	23,189.09	22.83	-43,811.56	4,573.57	-20,622.47	324.1	1.47%
Actual	February	370,121	2,041,598	0.181290	0.194790	0.013500	27,561.57	50,750.66	28.41	-43,783.15	27,589.98	6,967.51	305.5	1.47%
Actual	March	348,286	1,815,025	0.191891	0.194790	0.002899	5,261.76	56,012.42	62.17	-43,720.98	5,323.93	12,291.44	287.8	1.47%
Actual	April	340,750	1,747,021	0.195046	0.194355	(0.000691)	-1,207.19	54,805.23	68.62	-43,652.36	-1,138.57	11,152.87	182.8	1.47%
Actual	May	344,472	1,744,962	0.197410	0.194355	(0.003055)	-5,330.86	49,474.37	67.14	-43,585.22	-5,263.72	5,889.15	83.2	1.47%
Actual	June	335,473	1,694,956	0.197924	0.194355	(0.003569)	-6,049.30	43,425.07	60.61	-43,524.61	-5,988.69	-99.54	44.6	1.47%
Actual	July	335,177	1,735,676	0.193110	0.200282	0.007172	12,448.27	55,873.34	53.20	-43,471.41	12,501.47	12,401.93	31.9	1.47%
Actual	August	613,586	3,576,371	0.171567	0.200282	0.028715	102,695.48	158,568.82	68.44	-43,402.97	102,763.92	115,165.85	33.8	1.47%
Actual	September	367,395	2,023,008	0.181608	0.200282	0.018674	37,777.64	196,346.46	194.25	-43,208.72	37,971.89	153,137.74	41.0	1.47%
Actual	October	349,044	1,933,605	0.180515	0.183191	0.002676	5,174.33	201,520.79	240.52	-42,968.20	5,414.85	158,552.59	118.7	1.47%
Forecast	November	358,918	1,874,437	0.191480	0.183191	(0.008289)	-15,537.21	185,983.58	246.86	-42,721.34	-15,290.35	143,262.24	202.7	1.47%
Forecast	December	<u>373,652</u>	<u>1,930,252</u>	<u>0.193577</u>	0.183191	(0.010386)	<u>-20,047.59</u>	<u>165,935.99</u>	<u>227.83</u>	<u>-42,493.51</u>	<u>-19,819.76</u>	<u>123,442.48</u>	<u>321.8</u>	1.47%
	Total	4,485,909	23,932,126	0.187443			147,297.64	165,935.99	1,340.88	-42,493.51	148,638.52	123,442.48	1,977.9	

PGCVA Balance per M*3 Purchased (\$/M*3) \$0.005158
Forecast Average Residential Consumption per Customer 1,977.9 M*3
Estimated Impact on Average Residential Customer \$10.20 Customer Rebate

(1) Includes balance of 18,638.35 as of December, 2012
(2) Includes balance of -43,834.39 as of December, 2012

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2013 TO DECEMBER, 2013

	<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>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	84,932	76,712	84,931	82,192	84,931	82,192	84,931	84,931	82,192	84,931	82,192	84,934	1,000,000
Local Production (B)	177,791	144,095	175,656	170,970	135,547	136,001	132,953	134,984	129,987	131,144	117,808	115,066	1,702,002
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	1,219,874	1,103,732	1,221,402	1,176,268	1,200,381	1,162,806	1,195,112	1,211,247	1,176,305	1,401,718	1,375,629	1,421,483	14,865,956
Western Delivery	332,619	300,951	333,036	317,592	324,103	313,958	322,680	327,037	305,839	315,812	298,808	308,768	3,801,202
Ontario Delivered Gas	<u>0</u>	<u>416,107</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,818,172</u>	<u>328,686</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,562,965</u>
Total	1,815,215	2,041,598	1,815,025	1,747,021	1,744,962	1,694,956	1,735,676	3,576,371	2,023,008	1,933,605	1,874,437	1,930,252	23,932,126

Price (\$/m3)

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)	0.210506	0.210506	0.210506	0.207215	0.207215	0.207215	0.224994	0.224994	0.224994	0.181632	0.181632	0.181632	
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	0.172536	0.172566	0.172137	0.174335	0.176993	0.176985	0.177119	0.174834	0.173999	0.171736	0.179879	0.181351	
Western Delivery	0.141657	0.148318	0.141251	0.151924	0.154844	0.157615	0.146535	0.134599	0.130029	0.127588	0.160438	0.166553	
Ontario Delivered Gas	0.000000	0.134326	0.000000	0.000000	0.000000	0.000000	0.000000	0.156435	0.154934	0.000000	0.000000	0.000000	

Total Gas Cost (\$)

Local Production (A)	25,582	23,106	25,581	24,756	25,581	24,756	25,581	25,581	24,756	25,581	24,756	25,582	301,200
Local Production (B)	37,426	30,333	36,977	35,427	28,087	28,182	29,914	30,371	29,246	23,820	21,398	20,900	352,080
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	210,472	190,467	210,249	205,065	212,459	205,799	211,677	211,767	204,676	240,725	247,447	257,787	2,608,590
Western Delivery	47,118	44,636	47,042	48,250	50,185	49,485	47,284	44,019	39,768	40,294	47,940	51,426	557,447
Ontario Delivered Gas	0	55,894	0	0	0	0	0	284,426	50,925	0	0	0	391,245
TCPL Transportation	<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>20,721</u>	<u>17,423</u>	<u>18,024</u>	<u>18,625</u>	<u>17,377</u>	<u>17,956</u>	<u>275,348</u>
Total	349,035	370,121	348,286	340,750	344,472	335,473	335,177	613,586	367,395	349,044	358,918	373,652	4,485,909

NATURAL RESOURCE GAS LIMITED

ACTUAL AND FORECAST GAS PRICES

HISTORICAL TWELVE MONTH PERIOD - JANUARY, 2013 TO DECEMBER, 2013

	<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>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>
<u>Local Production</u>												
Local Production (A) (\$/GJ)	7.902	7.915	7.912	7.873	7.775	7.783	7.741	7.846	7.873	7.868	7.979	7.979
Local Production (B) (\$/GJ)	5.522	5.532	5.529	5.416	5.349	5.354	5.783	5.861	5.881	4.745	4.811	4.811
<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)	4.526	4.535	4.521	4.557	4.569	4.573	4.552	4.554	4.548	4.486	4.765	4.804
<u>Western Deliveries</u> (\$/GJ)	3.716	3.898	3.710	3.971	3.997	4.073	3.766	3.506	3.399	3.333	4.250	4.412
Fuel Ratio (%)	4.40%	4.05%	4.09%	2.72%	1.23%	1.98%	1.73%	0.74%	0.77%	2.05%	4.00%	4.00%
<u>TCPL Transportation</u> (\$/GJ)												
TCPL Toll	2.242900	2.242900	2.242900	2.242900	2.242900	2.242900	1.650400	1.540500	1.540500	1.540500	1.540500	1.540500
GJ/day (TCPL)	409	409	409	405	405	405	405	405	390	390	376	376
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)	1,909	1,909	1,909	1,905	1,905	1,905	1,905	1,905	1,890	2,121	2,107	2,107
<u>Ontario Delivered Gas</u> (\$/GJ)	0.000	3.530	0.000	0.000	0.000	0.000	0.000	4.075	4.050	0.000	0.000	0.000
Heat Value (GJ/103m3)	38.12	38.05	38.07	38.26	38.74	38.70	38.91	38.39	38.26	38.28	37.75	37.75

NATURAL RESOURCE GAS LIMITED

PURCHASED GAS COMMODITY VARIANCE ACCOUNT

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2014 TO OCTOBER, 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
January	365,466	1,930,252	0.189336	0.183683	(0.005653)	-10,911.71	155,024.28	203.27	-42,290.24	-10,708.44	112,734.04	355.2	1.47%
February	334,035	1,762,808	0.189490	0.183683	(0.005807)	-10,236.63	144,787.65	189.90	-42,100.34	-10,046.73	102,687.31	293.2	1.47%
March	365,149	1,930,252	0.189172	0.183683	(0.005489)	-10,595.15	134,192.50	177.36	-41,922.98	-10,417.79	92,269.52	246.2	1.47%
April	354,566	1,874,437	0.189159	0.183683	(0.005476)	-10,264.42	123,928.08	164.39	-41,758.59	-10,100.03	82,169.49	186.6	1.47%
May	365,149	1,930,252	0.189172	0.183683	(0.005489)	-10,595.15	113,332.93	151.81	-41,606.78	-10,443.34	71,726.15	89.7	1.47%
June	354,566	1,874,437	0.189159	0.183683	(0.005476)	-10,264.42	103,068.51	138.83	-41,467.95	-10,125.59	61,600.56	53.1	1.47%
July	365,149	1,930,252	0.189172	0.183683	(0.005489)	-10,595.15	92,473.36	126.26	-41,341.69	-10,468.89	51,131.67	40.9	1.47%
August	365,149	1,930,252	0.189172	0.183683	(0.005489)	-10,595.15	81,878.21	113.28	-41,228.41	-10,481.87	40,649.80	42.8	1.47%
September	354,566	1,874,437	0.189159	0.183683	(0.005476)	-10,264.42	71,613.79	100.30	-41,128.11	-10,164.12	30,485.68	58.5	1.47%
October	349,044	1,930,252	0.189172	0.183683	(0.005489)	-10,595.15	61,018.64	87.73	-41,040.38	-10,507.42	19,978.26	118.7	1.47%
November	358,918	1,874,437	0.188966	0.183683	(0.005283)	-9,902.65	51,115.99	74.75	-40,965.63	-9,827.90	10,150.36	202.7	1.47%
December	<u>373,652</u>	<u>1,930,252</u>	<u>0.188978</u>	0.183683	(0.005295)	<u>-10,220.68</u>	<u>40,895.31</u>	<u>62.62</u>	<u>-40,903.01</u>	<u>-10,158.06</u>	<u>-7.70</u>	<u>321.8</u>	1.47%
Total	4,305,412	22,772,318	0.189063			-125,040.68	40,895.31	1,590.50	-40,903.01	-123,450.18	-7.70	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 Dec., 2013 year-to-date balance of \$165,935.99 (See Schedule 2)
(2) Includes Dec., 2013 year-to-date balance of (\$42,493.51) (See Schedule 2)

NATURAL RESOURCE GAS LIMITED

COMPOSITION AND COST OF GAS BY SUPPLY SOURCE

PROJECTED TWELVE MONTH FORWARD PERIOD - JANUARY, 2014 TO OCTOBER, 2014

	<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>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	<u>Oct-14</u>	<u>Nov-14</u>	<u>Dec-14</u>	<u>Total</u>
<u>Volumes (m3)</u>													
Local Production (A)	84,932	76,708	84,932	82,192	84,932	82,192	84,932	84,932	82,192	84,932	82,192	84,932	1,000,000
Local Production (B)	115,068	123,292	115,068	117,808	115,068	117,808	115,068	115,068	117,808	115,068	117,808	115,068	1,400,000
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	1,421,483	1,283,921	1,421,483	1,375,629	1,421,483	1,375,629	1,421,483	1,421,483	1,375,629	1,421,483	1,375,629	1,421,483	16,736,821
Western Delivery	308,768	278,887	308,768	298,808	308,768	298,808	308,768	308,768	298,808	308,768	298,808	308,768	3,635,497
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,930,252	1,762,808	1,930,252	1,874,437	1,930,252	1,874,437	1,930,252	1,930,252	1,874,437	1,930,252	1,874,437	1,930,252	22,772,318

Price (\$/m3)

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)	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	0.185325	
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	0.176934	0.177010	0.176670	0.176670	0.176670	0.176670	0.176670	0.176670	0.176670	0.176670	0.176481	0.176481	
Western Delivery	0.159003	0.159909	0.159192	0.159192	0.159192	0.159192	0.159192	0.159192	0.159192	0.159192	0.158852	0.158852	
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	

Total Gas Cost (\$)

Local Production (A)	25,582	23,104	25,582	24,756	25,582	24,756	25,582	25,582	24,756	25,582	24,756	25,582	301,200
Local Production (B)	21,325	22,849	21,325	21,833	21,325	21,833	21,325	21,325	21,833	21,325	21,833	21,325	259,455
Dawn Delivery	0	0	0	0	0	0	0	0	0	0	0	0	0
Parkway Delivery	251,509	227,267	251,133	243,032	251,133	243,032	251,133	251,133	243,032	251,133	242,772	250,865	2,957,177
Western Delivery	49,095	44,597	49,153	47,568	49,153	47,568	49,153	49,153	47,568	49,153	47,466	49,048	578,677
Ontario Delivered Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
TCPL Transportation	<u>17,956</u>	<u>16,218</u>	<u>17,956</u>	<u>17,377</u>	<u>17,956</u>	<u>17,377</u>	<u>17,956</u>	<u>17,956</u>	<u>17,377</u>	<u>17,956</u>	<u>17,377</u>	<u>17,956</u>	<u>211,418</u>
Total	365,466	334,035	365,149	354,566	365,149	354,566	365,149	365,149	354,566	365,149	354,204	364,776	4,307,928

[illegible]

NATURAL RESOURCE GAS LIMITED

GAS PURCHASE REBALANCING ACCOUNT

JANUARY, 2013 THROUGH DECEMBER, 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
January	1,815,215	6,213,182	3,043,400	3,169,782	0	3,169,782	-1,354,567	-1,789,839	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	-2,746,138	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	-3,821,057	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	4,640,342	2,729,795	1,910,547	0	1,910,547	-163,526	-3,984,583	0.194355	0.00	(0.000431)	-823.45	-80.56	0.91	5,770.45	5,689.89	1.47%
May	1,744,962	3,500,674	2,579,763	920,911	0	920,911	824,051	-3,160,531	0.194355	0.00	(0.000431)	-396.91	-477.47	-0.10	5,770.35	5,292.88	1.47%
June	1,694,956	3,006,363	2,524,984	481,379	0	481,379	1,213,577	-1,946,954	0.194355	-11,539.59	(0.000431)	-207.47	-12,224.53	-0.58	5,769.77	-6,454.76	1.47%
July	1,735,676	2,497,288	2,133,774	363,514	0	363,514	1,372,162	-574,792	0.200282	0.00	0.000208	75.61	-12,148.92	-14.98	5,754.79	-6,394.13	1.47%
August	3,576,371	3,686,538	2,824,082	862,456	0	862,456	2,713,915	2,139,123	0.200282	0.00	0.000208	179.39	-11,969.53	-14.88	5,739.91	-6,229.62	1.47%
September	2,023,008	4,136,394	2,756,526	1,379,868	0	1,379,868	643,140	2,782,262	0.200282	-47,551.64	0.000208	287.01	-59,234.16	-14.66	5,725.25	-53,508.91	1.47%
October	1,933,605	5,043,191	2,984,657	2,058,534	0	2,058,534	-124,929	2,657,333	0.183191	0.00	0.003042	6,262.06	-52,972.10	-72.56	5,652.69	-47,319.41	1.47%
November	1,874,437	5,921,595	2,807,687	3,113,908	0	3,113,908	-1,239,471	1,417,862	0.183191	0.00	0.003042	9,472.51	-43,499.59	-64.89	5,587.80	-37,911.79	1.47%
December	1,930,252	5,421,595	2,795,357	2,626,238	0	2,626,238	-695,986	721,876	0.183191	355.16	0.003042	7,989.02	-35,155.41	-53.29	5,534.51	-29,620.90	1.47%
January	1,930,252	6,421,595	2,824,409	3,597,186	0	3,597,186	-1,666,934	-945,058	0.183683	0.00	0.001330	4,784.26	-30,371.15	-43.07	5,491.44	-24,879.71	1.47%
February	1,762,808	5,821,595	2,807,462	3,014,133	0	3,014,133	-1,251,325	-2,196,383	0.183683	0.00	0.001330	4,008.80	-26,362.35	-37.20	5,454.24	-20,908.11	1.47%
March	1,930,252	5,621,595	2,744,961	2,876,634	0	2,876,634	-946,382	-3,142,766	0.183683	0.00	0.001330	3,825.92	-22,536.43	-32.29	5,421.95	-17,114.48	1.47%
April	1,874,437	4,621,595	2,685,665	1,935,930	0	1,935,930	-61,493	-3,204,259	0.183683	0.00	0.001330	2,574.79	-19,961.64	-27.61	5,394.34	-14,567.30	1.47%
May	1,930,252	3,621,595	2,661,298	960,297	0	960,297	969,955	-2,234,304	0.183683	0.00	0.001330	1,277.20	-18,684.44	-24.45	5,369.89	-13,314.55	1.47%
June	1,874,437	3,133,595	2,638,035	495,560	0	495,560	1,378,877	-855,427	0.183683	0.00	0.001330	659.09	-18,025.35	-22.89	5,347.00	-12,678.35	1.47%
July	1,930,252	3,137,595	2,646,622	490,973	0	490,973	1,439,279	583,852	0.183683	0.00	0.001330	652.99	-17,372.36	-22.08	5,324.92	-12,047.44	1.47%
August	1,930,252	3,245,595	2,639,204	606,391	0	606,391	1,323,861	1,907,712	0.183683	0.00	0.001330	806.50	-16,565.86	-21.28	5,303.64	-11,262.22	1.47%
September	1,874,437	3,141,595	2,699,547	442,048	0	442,048	1,432,389	3,340,101	0.183683	0.00	0.001330	587.92	-15,977.94	-20.29	5,283.35	-10,694.59	1.47%
October	1,930,252	5,121,595	2,783,246	2,338,349	0	2,338,349	-408,097	2,932,004	0.183683	0.00	0.001330	3,110.00	-12,867.94	-19.57	5,263.78	-7,604.16	1.47%
November	1,874,437	5,921,595	2,807,687	3,113,908	0	3,113,908	-1,239,471	1,692,533	0.183683	0.00	0.001330	4,141.50	-8,726.44	-15.76	5,248.02	-3,478.42	1.47%
December	1,930,252	<u>5,421,595</u>	<u>2,795,357</u>	2,626,238	0	2,626,238	-695,986	996,547	0.183683	0.00	0.001330	3,492.90	-5,233.54	-10.69	5,237.33	3.79	1.47%

(1) Includes balance of -435,272 as of December, 2012
(2) Includes balance of 12,522.25 as of December, 2012
(3) Includes balance of 5,740.49 as of December, 2012

NATURAL RESOURCE GAS LIMITED

RESIDENTIAL BILL COMPARISONS

QUARTERLY BILL IMPACT

	Quarter Starting 01-Jan-13 <u>EB-2012-0454</u>	Quarter Starting 01-Jan-14 <u>EB-2013-0412</u>	\$ Change	Percent Change
Average Residential Consumption for Quarter	894.6	894.6		
Monthly Charges	\$40.50	\$40.50	\$0.00	0.0%
Delivery Charges	\$137.78	\$140.10	\$2.31	1.7%
Total Commodity Charges	<u>\$173.26</u>	<u>\$165.84</u>	<u>(\$7.42)</u>	<u>-4.3%</u>
Total Customer Charges	\$351.54	\$346.43	(\$5.10)	-1.5%

ANNUAL BILL IMPACT

	01-Oct-13 <u>EB-2013-0317</u>	01-Jan-14 <u>EB-2013-0412</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	\$314.67	\$314.67	\$0.00	0.0%
Total Commodity Charges	<u>\$374.95</u>	<u>\$372.49</u>	<u>(\$2.45)</u>	<u>-0.7%</u>
Total Customer Charges	\$851.62	\$849.17	(\$2.45)	-0.3%

RATES USED

	01-Jan-13 <u>EB-2012-0454</u>	01-Oct-13 <u>EB-2013-0317</u>	01-Jan-14 <u>EB-2013-0412</u>
Monthly charge	13.50	13.50	13.50
Delivery Charge	0.154014	0.156601	0.156601
Total Commodity Charge	0.193669	0.186596	0.185376

**APPENDIX “A” TO
DECISION AND ORDER
BOARD FILE No. EB-2013-0412
DATED DECEMBER 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, 2014	\$(0.11)
b)	Delivery Charge	
	First 1,000 m ³ per month	15.6601 cents per m ³
	All over 1,000 m ³ per month	10.6527 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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, 2014	\$(0.19)	
b) Delivery Charge		
First 1,000 m ³ per month	14.5236 cents per m ³	18.3068 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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, 2014 \$(8.34)

- 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 3.8521 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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, 2014	\$(0.55)	
b) Delivery Charge		
First 1,000 m ³ per month	15.1257cents per m ³	19.2963 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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, 2014 \$(3.02)

- 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 7.0069 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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, 2014 \$(301.10)

b) A Monthly Demand Charge:

A Monthly Demand Charge of 18.3951 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 3.7976 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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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-2013-0412)	18.3683 cents per m ³
GPRA Recovery Rate	(EB-2013-0412)	0.1330 cents per m ³
System Gas Fee	(EB-2010-0018)	<u>0.0363</u> cents per m ³
Total Gas Supply Charge		<u>18.5376</u> cents per m ³

Note:

PGCVA means Purchased Gas Commodity Variance Account

GPRA means Gas Purchase Rebalancing Account

Effective: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

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: January 01, 2014

Implementation: All bills rendered on or after January 01, 2014

EB-2013-0412

**APPENDIX “B” TO
DECISION AND ORDER
BOARD FILE No. EB-2013-0412
DATED DECEMBER 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-2013-0412
DATED DECEMBER XX, 2013**

IMPORTANT INFORMATION ABOUT YOUR GAS BILL

On all bills rendered by NRG on or after January 1, 2014, the price we charge for the gas commodity and transportation portion of your bill will be decreasing by \$0.001220 per cubic meter to \$0.185376 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 December, 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 decrease by approximately \$2 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.