



Natural Resource Gas Limited
39 Beech St. E., Aylmer On N5H 2S1

June 16, 2015

VIA EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2601
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: EB-2015-0191

Please find attached our response to Board Staff questions with respect to the above Application.

These have been emailed to the Interveners in proceeding EB-2010-0018.

Yours very truly,

Natural Resource Gas Limited

A handwritten signature in blue ink that reads "Laurie O'Meara".

Laurie O'Meara, CPA, CA
VP Administration

Encl.

NRG Responses to Board Staff Comments
GRAM Application EB-2015-0191
June 16, 2015

1. In Schedule 1, page 4 (lines 12-15), NRG has forecasted higher deliveries to Union, from 2,294 GJ/day to 2,380 GJ/day citing growing volumes.

Is the forecasted increase due to growth in the number of customers or increase in average use, or both? Please provide a detailed response.

RESPONSE:

The increase in deliveries from 2,294 GJ/day to 2,380 GJ/day was based on recommendations from Union Gas which are based on historical consumption. Consumption has increased historically mainly as a result of NRG continuing to experience strong customer additions, most notably in the residential market. In addition, while residential use has not shown any significant increase, use at NRG's industrial and grain dryer customers has increased over the last few years.

2. In Schedule 1, page 9 (lines 19-24), NRG has provided an explanation of how the forecast Parkway delivery prices are calculated. NRG uses the Daily Energy Market Report that provides prices at Henry Hub along with a Niagara, Ontario basis. The two prices are added together to arrive at a proxy for the Parkway price.

NRG has indicated that the Daily Energy Market Report no longer provides a Niagara, Ontario basis price. Consequently, NRG is unable to provide a forecast of the Parkway delivery price using the methodology described above.

- a) What alternatives has NRG considered to provide a Parkway delivery price in the future?
- b) Can NRG use the Dawn Index to calculate a forecast Parkway delivery price?

RESPONSE:

NRG has not considered any alternative to provide a Parkway delivery price in the future. As noted in the evidence, NRG will propose a methodology when, and if, a forecast of this price is needed. It is expected that any future Parkway delivery price will be based on the Dawn index.