



Ontario Energy Board Commission de l'énergie de l'Ontario

VARY ORDER

EB-2016-0351

NATURAL RESOURCE GAS LIMITED

Order Varying the Decision and Order Issued on August 3, 2017

BEFORE: Cathy Spoel

Presiding Member

October 31, 2017

INTRODUCTION AND SUMMARY

This Vary Order varies the Decision and Order issued by the Ontario Energy Board (OEB) in this proceeding, dated August 3, 2017.

THE PROCESS

This Vary Order is being made on the Board's own motion. The OEB gave notice of its intention to vary the Decision and Order in Procedural Order No. 4, issued on October 13, 2017 to parties of record in EB-2016-0351.

THE APPLICATION

On August 3, 2017, the OEB granted NRG approval to sell its natural gas distribution system, in its entirety, to EPCOR under section 43(1)(a) of the *Ontario Energy Board Act, 1998*.

On September 28, 2017 and on October 10, 2017, NRG filed correspondence with the OEB requesting that the Decision and Order be varied in order to more clearly confirm that all current OEB authorizations granted to, and all OEB matters currently being carried by, NRG be transferred to EPCOR effective as of the closing date of the Transaction.

Specifically, NRG sought modification to paragraphs Nos. 4 and 5 of the Order, by inserting certain additional language (as identified in **bold underline** type) and deleting certain language (as identified in **~~bold strikethrough~~** type):

...

4. Natural Resource Gas Limited is granted leave to transfer to EPCOR Natural Gas Limited Partnership the certificates of public convenience and necessity, rate orders and other orders issued by the OEB, and the authority granted thereunder, in the following proceedings, **and any other (a) applications filed by Natural Resource Gas Limited, and (b) orders issued by the OEB, after the date of this order and prior to the completion of the transaction referred to in paragraph 1 above:**

Certificates of Public Convenience and Necessity:

- E.B.C.111 and 119, dated May 5, 1982
- E.B.C. 239, dated October 16, 1995
- E.B.C. 212, dated February 9, 1996
- E.B.C. 242, dated September 6, 1996

Rate Orders:

- Decision and Order EB-2015-0115 (2016 IRM rate adjustment, which established NRG's current distribution rates, made interim via Procedural Order No. 1 in EB-2016-0236 dated September 28, 2016)
- Decision and Order EB-2017-0221 (order approving quarterly rate adjustment for the period July 1 to September 30, 2017, which reflects NRG's current commodity rates)
- Decision and Order EB-2016-0330 (~~interim~~ order approving NRG's proposed rates to recover the cost consequences of its Cap and Trade Compliance Plan effective January 1, 2017).

Orders related to Franchise Agreements:

- EB-2012-0072 (Town of Aylmer)
- EB-2012-0447 (Municipality of Bayham)
- EB-2012-0446 / EB-2014-0186 (Municipality of Central Elgin)
- EB-2015-0205 (Township of Malahide)
- EB-2012-0475 (Township of South-West Oxford)
- EB-2012-0444 / EB-2014-0153 (Municipality of Thames Centre)
- EB-2012-0445 / EB-2014-0188 (City of London)
- EB-2012-0476 / EB-2014-0207 (County of Norfolk)
- EB-2015-0307 (Elgin County)
- EB-2016-0145 (Middlesex County)

5. Natural Resource Gas Limited is granted leave to transfer to EPCOR Natural Gas Limited Partnership, **carriage of the application that is the subject of the proceeding EB-2017-0232 and** such order, and the authority granted thereunder, as may be issued by the OEB in proceeding EB-2017-0232.

On October 16, 2017, the Vulnerable Energy Consumers Coalition filed a letter stating it had no concerns with respect to NRG's proposal, and that it would not be seeking further costs in this proceeding. There were no other submissions.

OEB FINDINGS

The Decision and Order in this proceeding, dated August 3, 2017, will be varied in order to grant the applicant's request for additional confirmation that all current OEB authorizations granted to, and all OEB matters currently being carried by, NRG be transferred to EPCOR in the light of the OEB-approved Transaction. However, the OEB is making slight modifications to the wording proposed by NRG.

Specifically, the OEB will not delete the word "interim" in reference to the interim order in EB-2016-0330. That interim order has already been issued, and to date, there is no final order.

Instead, the OEB will approve the transfer of carriage of NRG's application in that proceeding, and of such further order, and the authority granted thereunder, as may be issued by the OEB in that proceeding. This approach is similar to that provided for in respect of EB-2017-0232.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Decision and Order of the OEB issued August 3, 2017 in EB-2016-0351, is varied by replacing Paragraphs 4 and 5 of the Order, at pages 12 and 13 of the Decision and Order, with the following revised Paragraphs 4 and 5:

4. Natural Resource Gas Limited is granted leave to transfer to EPCOR Natural Gas Limited Partnership the certificates of public convenience and necessity, rate orders and other orders issued by the OEB, and the authority granted thereunder, in the following proceedings, and any other (a) applications filed by Natural Resource Gas Limited, and (b) orders issued by the OEB pertaining to Natural Resource Gas Limited, after the date of this order and prior to the completion of the transaction referred to in paragraph 1 above:

Certificates of Public Convenience and Necessity:

- E.B.C.111 and 119, dated May 5, 1982
- E.B.C. 239, dated October 16, 1995
- E.B.C. 212, dated February 9, 1996
- E.B.C. 242, dated September 6, 1996

Rate Orders:

- Decision and Order EB-2015-0115 (2016 IRM rate adjustment, which established NRG's current distribution rates, made interim via Procedural Order No. 1 in EB-2016-0236 dated September 28, 2016)
- Decision and Order EB-2017-0221 (order approving quarterly rate adjustment for the period July 1 to September 30, 2017, which reflects NRG's current commodity rates)
- Decision and Order EB-2016-0330 (interim order issued September 21, 2017 approving NRG's proposed rates to recover the cost consequences of its Cap and Trade Compliance Plan effective January 1, 2017).

Orders related to Franchise Agreements:

- EB-2012-0072 (Town of Aylmer)
- EB-2012-0447 (Municipality of Bayham)
- EB-2012-0446 / EB-2014-0186 (Municipality of Central Elgin)
- EB-2015-0205 (Township of Malahide)
- EB-2012-0475 (Township of South-West Oxford)
- EB-2012-0444 / EB-2014-0153 (Municipality of Thames Centre)
- EB-2012-0445 / EB-2014-0188 (City of London)
- EB-2012-0476 / EB-2014-0207 (County of Norfolk)
- EB-2015-0307 (Elgin County)
- EB-2016-0145 (Middlesex County)

5. Natural Resource Gas Limited is granted leave to transfer to EPCOR Natural Gas Limited Partnership, carriage of the application that is the subject of the proceeding EB-2017-0232 and such order, and the authority granted thereunder, as may be issued by the OEB in proceeding EB-2017-0232. In addition to the leave granted in the order above regarding the Decision and Interim Order in EB-2016-0330, Natural Resource Gas Limited is granted leave to transfer to EPCOR Natural Gas Limited Partnership, carriage of Natural Resource Gas Limited's application in the proceeding EB-2016-0330 and such further order, and the authority granted thereunder, as may be issued by the OEB in proceeding EB-2016-0330.

DATED at Toronto October 31, 2017

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary