



RP-2004-0167
EB-2004-0509

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 and transmission of gas commencing
January 1, 2005.

BEFORE: Jan Carr
Presiding Member and Vice Chair

Paul Vlahos
Member

DECISION

Natural Resource Gas Limited (“NRG”) filed an application with the Ontario Energy Board on December 1, 2004, pursuant to Section 36 of *Ontario Energy Board Act, 1998* for an order or orders approving or fixing just and reasonable rates for the sale and distribution of gas commencing January 1, 2005. The application was made pursuant to NRG’s approved Quarterly Rate Adjustment Mechanism (“QRAM”). In particular, NRG’s application requested:

- an order increasing the reference price for use in determining amounts to be recorded in the Purchased Gas Commodity Variance Account (“PGCVA”) by \$0.018622 per m³ from the Board approved level of \$0.314943 per m³ to \$0.333565 per m³; and
- an order increasing the gas supply charge by \$0.018256 per m³ from the Board approved level of \$0.325349 per m³ to \$0.343605 per m³. This increase is the sum of the increase related to the change in the PGCVA reference price and the change required to prospectively clear the balance in the Gas Purchase Rebalancing Account (“GPRA”).

NRG filed written evidence in support of the proposed changes contained in the application. The application and pre-filed evidence have been provided by NRG to all parties of record in the most recent main rates proceeding, RP-2004-0167 / EB-2004-0253.

The Board issued a Notice of Written Hearing and Procedural Order No. 1 on December 3, 2004, allowing parties of record in RP-2004-0167 / EB-2004-0253 to file interrogatories and submissions. No submissions were filed. NRG filed responses to Board Staff interrogatories on December 9, 2004.

In its Decision with Reasons dealing with 2005 rates (RP-2004-0167 / EB-2004-0253), dated December 20, 2004, the Board approved changes to certain components of the gas supply charge, such as the system gas fee and the reference price for the Purchased Gas Transportation Variance Account. The Board also approved changes to the delivery rates charged to all customers. The Board decided to implement these rate changes with any changes to the gas supply charge resulting from this QRAM application.

The Board finds that it is in public interest to approve the proposed change to NRG's PGCVA reference price and the proposed change to the gas supply charge effective January 1, 2005.

THE BOARD ORDERS THAT:

1. Natural Resource Gas Limited shall increase the reference price for use in determining the amounts to be recorded in the PGCVA (Account No. 179-27) by \$0.018622 per m³ from \$0.314943 per m³ to \$0.333565 per m³, effective January 1, 2005, as shown in Appendix "A".
2. Natural Resource Gas Limited shall increase the gas supply charge by \$0.018256 per m³ from \$0.325349 per m³ to \$0.343605 per m³ for all gas bills rendered after January 1, 2005.
3. Natural Resource Gas Limited shall file, for Board approval, draft rate schedules and draft customer notices that incorporate the changes in the gas supply charge of this Decision and the changes in the gas supply charge and delivery rates as determined in

the RP-2004-0167 / EB-2004-0253 proceeding, prior to the issuance of any bills reflecting the new rates.

ISSUED at Toronto, December 20, 2004.

Signed on behalf of the Panel

Original signed by

Peter H. O'Dell
Assistant Board Secretary

APPENDIX "A" TO
BOARD ORDER RP-2004-0167/EB-2004-0509

DATED DECEMBER 20, 2004

Peter H. O'Dell
Assistant Board Secretary