



EB-2013-0205

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, pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, 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 April 1, 2013; and

AND IN THE MATTER OF the quarterly rate adjustment mechanism.

By delegation, before: Pascale Duguay

DECISION AND ORDER

June 20, 2013

Natural Resource Gas Limited (“NRG”) filed an application dated June 7, 2013, with the Ontario Energy Board (the “Board”) for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of gas commencing July 1, 2013 (the “Application”). The Application was made pursuant to NRG’s approved Quarterly Rate Adjustment Mechanism (“QRAM”).

NRG provided written evidence in support of the proposed changes outlined in the Application. The Application and pre-filed evidence was provided by NRG to all parties of record in NRG’s rates proceeding, EB-2010-0018. The Application also set out the dates for filing comments and the company’s reply to those comments.

On June 12, 2013, Board staff submitted comments on NRG’s QRAM Application. Board staff sought reasons for the higher commodity cost in September of 2012. NRG

replied on June 13, 2013 indicating that it had to shed excess gas in order to remain within its contract parameters with Union Gas and avoid any penalties. Accordingly, NRG sold 35,700 GJ of gas delivered to Parkway at a price of \$2.926/GJ for a total offset to gas costs of \$104,444.

No comments were received from any other party.

I have considered the evidence and find that it is appropriate to adjust NRG's rates effective July 1, 2013 to reflect the projected changes in gas costs and prospective recovery of the projected twelve-month balances of the gas supply deferral accounts for the period ending June 2013. I also find that it is appropriate to adjust NRG's reference prices to reflect the projected changes in gas costs.

IT IS ORDERED THAT:

1. The rates approved for Natural Resource Gas Limited as part of Decision and Order EB-2013-0052 dated March 20, 2013 shall be superseded by the rates as provided in Appendix "A" and attached to this Rate Order.
2. The rates shall be effective July 1, 2013 and shall be implemented in Natural Resource Gas Limited's first billing cycle commencing in July 2013.
3. The reference price for use in determining the amounts to be recorded in the PGCVA (Account No. 179-27) shall increase by \$0.005927 per m³ from the Board approved level of \$0.194355 per m³ to \$0.200282 per m³ as shown in Schedule "A" of Appendix "A" attached to this Rate Order.
4. The balance in the Gas Purchase Rebalancing Account be prospectively cleared. The resulting gas supply charge will increase from the Board approved level of \$0.194287 per m³ to \$0.200853 per m³ as noted in Schedule "A" of Appendix "A" attached to this Rate Order.
5. The appropriate form of customer notice as set out in Appendix "C" shall accompany each customer's first bill or invoice following the implementation of this Order.

DATED at Toronto, June 20, 2013

ONTARIO ENERGY BOARD

Original signed by

Pascale Duguay
Manager, Natural Gas Applications

**APPENDIX "A" TO
DECISION AND ORDER
BOARD FILE NO. EB-2013-0205
DATED: June 20, 2013**

**APPENDIX "B" TO
DECISION AND ORDER
BOARD FILE NO. EB-2013-0205
DATED: June 20, 2013**

**APPENDIX "C" TO
DECISION AND ORDER
BOARD FILE NO. EB-2013-0052
DATED: June 20, 2013**