

April 11, 2014

**BY EMAIL AND RESS**

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: Natural Resource Gas Limited - April 1, 2014 QRAM - Phase II Proceeding  
Board File No. EB-2014-0053**

This letter is in response to your letter dated April 9, 2014 asking, on behalf of the Board, for an update on the status of the arbitration referred to in NRG's QRAM application.

NRG's proposed arbitration has not progressed beyond its letter dated March 4, 2014. Pursuant to Article 8 of NRG's Bundled-T contract, all disputes arising in connection with the contract are to be determined under the provisions of the *Arbitration Act* (Ontario), by three arbitrators. Each party is responsible for appointing an arbitrator. Together, those arbitrators select the third. NRG's letter does not appoint an arbitrator and there have been no discussions or communications between the parties in relation to possible arbitrators.

Union did provide a substantive response to NRG's complaints. By letter dated March 14, 2014, filed in confidence with the Board, Union responded to NRG's evidence and request to intervene in Union's most recent QRAM application (EB-2014-0050).

Yours truly,



Crawford Smith

Enclosure

cc: Chris Ripley