



EB-2014-0053

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, 2014; and

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism.

PROCEDURAL ORDER NO. 1
October 10, 2014

Natural Resource Gas Limited (“NRG”) filed an application dated March 11, 2014, with the Ontario Energy Board for an order or orders approving or fixing just and reasonable rates and other charges for the sale and distribution of natural gas commencing April 1, 2014.

The application was made in accordance with the Quarterly Rate Adjustment Mechanism (“QRAM”) established by the Board for dealing with changes in gas costs for all rate regulated gas distributors (EB-2008-0106).

NRG asked the Board for approval to recover from customers the costs of incremental natural gas purchases made by NRG in February 2014 and the costs associated with a penalty charge applied to NRG by Union Gas Limited.

On April 1, 2014, the Board issued its Decision and Interim Order on the application. In its Decision and Interim Order, the Board stated that the incremental natural gas purchases made in February and the penalty charge applied to NRG had not been sufficiently examined in the QRAM process. The Board decided to establish a process to further consider these issues.

The Board issued a Notice of Application on May 2, 2014 (the "Notice"). In the Notice, the Board stated that as part of Phase 2 of NRG's QRAM proceeding it would review the incremental gas purchases made by NRG in February 2014, including the penalty charge and its recovery from NRG's ratepayers.

In the Notice, the Board offered interested parties the opportunity to request intervenor status or file a letter of comment. The Board received a number of comment letters from interested parties but received no requests for intervenor status.

In a letter dated June 17, 2014, the Board placed Phase 2 of NRG's QRAM proceeding on hold pending the release of its Decision and Order in Union's Penalty Reduction Proceeding (EB-2014-0154). The Board issued its Decision and Order in the EB-2014-0154 proceeding on October 9, 2014. Therefore, the Board will now resume hearing the issues in this proceeding.

The Board has set out a process for the filing of interrogatories and argument below. Please be aware that further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. Board staff seeking information and material from NRG shall request it by written interrogatories filed with the Board and delivered to NRG on or before **October 17, 2014**.
2. NRG shall file with the Board complete responses to the interrogatories no later than **October 24, 2014**.
3. NRG shall file its Argument-in-Chief with the Board on or before **October 31, 2014**.
4. Board staff shall file written submissions with the Board and deliver them to NRG on or before **November 7, 2014**.
5. If NRG wishes to reply to the submissions of Board staff, the reply shall be filed with the Board on or before **November 14, 2014**.

All filings to the Board must quote file number **EB-2014-0053**, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format.

Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available you may email your document to the BoardSec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. If you have submitted through the Board's web portal an e-mail is not required.

For all electronic correspondence and materials related to this proceeding, parties must include in their distribution lists the Case Manager, Lawrie Gluck at Lawrie.Gluck@ontarioenergyboard.ca and Counsel, Jennifer Lea at Jennifer.Lea@ontarioenergyboard.ca.

All communications should be directed to the attention of the Board Secretary and be received no later than 4:45 p.m. on the required date.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

Filings: <https://www.pes.ontarioenergyboard.ca/eservice/>

E-mail: boardsec@ontarioenergyboard.ca

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

DATED at Toronto, October 10, 2014

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary