

Order No. 137/16

**CENTRA GAS MANITOBA INC.
PRIMARY GAS RATE APPLICATION AND APPROVAL OF NON-PRIMARY GAS
RATE RIDERS, EFFECTIVE NOVEMBER 1, 2016**

October 27, 2016

BEFORE: Robert T. Gabor, Q.C., Chair
Marilyn Kapitany, BSc (Hon), MSc, Member

Table of Contents

1.0 Summary 3

2.0 Introduction..... 5

3.0 Centra’s Application for Primary Gas Rate 7

4.0 Centra’s Application for Modified Transportation and Distribution Rates..... 11

5.0 Customer Impact 13

6.0 Board Findings 15

7.0 It Is Therefore Ordered That:..... 16

8.0 Appendix “A” – Schedule of Rates 17

1.0 Summary

By this Order, the Public Utilities Board (Board) approves Centra Gas Manitoba Inc.'s (Centra) October 14, 2016 interim ex parte Application for a new Primary Gas rate and for modified Transportation (to Centra) and Distribution (to Customers) Sales and Transportation rates effective November 1, 2016. The modified Transportation (to Centra) and Distribution (to Customers) rates reflect the removal of non-Primary Gas rate riders approved on an interim basis in Order 108/15 and set to expire on October 31, 2016.

In respect of Centra's Application and by this Order:

- The Board grants Centra's interim ex parte Application to decrease the current Primary Gas rate to \$0.0974/m³ effective November 1, 2016. The current rate is \$0.1055/m³ for Primary Gas consumed on or after August 1, 2016. On its own, this represents an annual bill decrease of approximately 2.2% (or \$17 per year) for a typical residential consumer.
- The Board grants Centra's interim ex parte Application to remove the non-Primary Gas rate riders approved on an interim basis in Order 108/15 and set to expire on October 31, 2016. These rate riders either increased or decreased the Transportation (to Centra) or Distribution (to Customers) billed rates.

For a typical residential customer, the combined effect of the Primary Gas rate decrease and the elimination of the non-Primary Gas rate riders is an annual bill decrease of 9.9% (or \$78 per year).

The majority of the Primary Gas, Supplemental Gas, and the Transportation (to Centra) costs are pass-through costs for Centra, meaning that Centra charges customers what it pays for these and does not make a profit on its sale. The costs of Primary Gas are predominantly determined by the market price of natural gas in Western Canada.

Primary Gas rates are reviewed quarterly. The next quarterly rate adjustment will be for Primary Gas consumed on or after February 1, 2017.

2.0 Introduction

Centra is a wholly-owned subsidiary of Manitoba Hydro. Centra's quarterly rates are subject to the approval of the Board pursuant to provisions of *The Public Utilities Board Act*.

The five components of natural gas rates billed to Centra's customers are:

- Primary Gas – gas that is sourced by Centra under its Western Canadian gas supply contract, which is priced quarterly by Centra, or gas purchased by consumers from either Centra or independent gas marketers and brokers under contracts, usually for a fixed rate and a fixed term;
- Supplemental Gas - gas that is required to meet the needs of Centra's customers during periods of peak load or other seasonal requirements. Supplemental Gas is applicable to the majority of customers, whether they purchase quarterly-priced Primary Gas from Centra or fixed-rate gas through contracts;
- Transportation (to Centra) - is the cost of transporting natural gas to Manitoba, including charges for pipelines not owned by Centra and the cost of gas storage facilities and is applicable to the majority of Centra's customers;
- Distribution (to Customer) – is the cost of delivering natural gas to a customer's home or business, including the cost of facilities and pipelines owned by Centra, as well as the operation and maintenance costs for the distribution system and a small cost component related to unaccounted-for gas;
- Basic Monthly Charge - is the costs related to customer service including meter reading and billing, as well as the cost of the service line and the meter.

Centra's Primary Gas rate is subject to quarterly amendment (February 1, May 1, August 1, and November 1). These regularly scheduled quarterly Primary Gas rate reviews occur in accordance with the Board-approved Rate Setting Methodology (Rate Setting Methodology), which is formula-driven and relies on established accounting and rate setting conventions. Quarterly Primary Gas rate setting does not involve a public hearing, reflecting the formulaic nature of the Rate Setting Methodology and furthering the objective of least-cost regulation. Public reviews of Primary Gas rates are conducted at periodic Cost of Gas or General Rate Application hearings.

Non-Primary Gas components of Centra's rates, for all customers including those receiving natural gas through fixed-rate contracts, are also periodically reviewed and approved by the Board. These non-Primary Gas rate reviews occur either through periodic Cost of Gas hearings, which also provides for the finalization of past interim quarterly Primary Gas rate changes, or in the context of a General Rate Application.

Order 98/16, dated July 27, 2016, is the most recent Order setting Centra's Primary Gas rate. Order 108/15, dated October 29, 2015, approved new Supplemental Gas, Transportation, and Distribution base rates. Order 89/13, dated August 2, 2013 and arising out of Centra's 2013/14 General Rate Application, approved the current Basic Monthly Charges. Order 108/15 is the most recent Order to adjust non-Primary Gas rates.

3.0 Centra's Application for Primary Gas Rate

On October 14, 2016, Centra applied to the Board for approval of the Primary Gas rate effective November 1, 2016. The Application was filed in accordance with the Board-approved Rate Setting Methodology. The Rate Setting Methodology determines a Primary Gas rate based on the forecast of natural gas prices and includes several factors that reflect the costs Centra incurs in providing Primary Gas to its customers.

Centra's Primary Gas rate is based on futures prices at AECO, a major gas trading hub in Alberta. Table 1 reflects the 12 month futures price strip¹ for natural gas taken by Centra on October 3, 2016 and used in the calculation of the proposed November 1, 2016 Primary Gas rate. The futures strip prices for April 2016 and July 2016 from previous quarterly rate applications are also shown in Table 1. As can be seen from the table, the October 2016 futures prices have decreased compared to the July futures prices.

Table 1: AECO Futures Price (Cdn\$/GJ)

(\$/GJ)	Nov/16	Dec/16	Jan/17	Feb/17	Mar/17	Apr/17	May/17	Jun/17	Jul/17	Aug/17	Sep/17	Oct/17
Apr Strip	2.2108	2.4977	2.5663	2.5820	2.5298	2.3511						
Jul Strip	2.7870	3.0598	3.1967	3.1788	3.0989	2.7437	2.6864	2.6648	2.6487			
Oct Strip	2.6132	2.7650	2.8884	2.9009	2.8493	2.6031	2.5535	2.5578	2.5783	2.5807	2.6345	2.7161

¹ A price strip is a gas price forecast for a specific period or "strip" of time based on the market prices of gas as traded on an exchange.

Table 2 summarizes Centra's Application for the quarterly Primary Gas rate effective November 1, 2016. The table shows Primary Gas costs and rate calculations for the last year. In calculating Primary Gas rates, Centra used the Board-approved Rate Setting Methodology.

Table 2: Current and Historical Primary Gas Rate Calculations

	Component	Costs and Proposed Rates Nov 1/15	Costs and Proposed Rates Feb 1/16	Costs and Proposed Rates May 1/16	Costs and Proposed Rates Aug 1/16	Costs and Proposed Rates Nov 1/16
1	Date of Forward Price Strip	October 1, 2015	December 14, 2015	April 1, 2016	July 4, 2016	October 3, 2016
2	Weighted Primary Gas Cost (mix of Gas Supply & Storage Gas costs)	\$2.764	\$2.522	\$2.421	\$3.071	\$2.810
3	Rate per Cubic Metre	\$0.1045	\$0.0953	\$0.0915	\$0.1161	\$0.1062
4	¹ Base Primary Rate, adding Fuel and Overhead cost component per cubic metre	\$0.1069	\$0.0976	\$0.0937	\$0.1187	\$0.1087
5	Plus (Less) Rate Rider per cubic metre	(\$0.0005)	(\$0.0034)	(\$0.0118)	(\$0.0132)	(\$0.0113)
6	Total Billed Rate (\$/m ³)	\$0.1064	\$0.0942	\$0.0819	\$0.1055	\$0.0974

Notes:

1. Compressor fuel costs are \$0.0016/m³ and overhead costs are \$0.00087/m³.

AECO futures market prices, shown above in Table 1, are weighted according to the forecasted volumes Centra expects to purchase each month that flow directly to Manitoba consumers. This weighted price includes the costs to deliver the gas from the AECO hub to Centra's receipt point at Empress, Alberta. The 12 Month Forward Price is then weighted for the average cost of gas volumes that Centra withdraws from its storage facility, and is shown in row 2 of Table 2 as the Weighted Primary Gas Cost

(mix of Gas Supply & Storage Gas costs).² The Weighted Primary Gas Cost per gigajoule is then converted to units of dollars per cubic metre (\$/m³) and is shown in row 3 of Table 2.

Centra incurs compressor fuel costs, which relate to fuel used by pipeline compressors in order to transport gas from Alberta to Manitoba. Centra also incurs overhead costs in the procurement and administration of Primary Gas supplies. The compressor fuel costs and overhead costs are added to the Weighted Primary Gas Cost to determine the Primary Gas Base Rate, which is shown in row 4 of Table 2.

Centra tracks differences between the previously approved Primary Gas rate (and its underlying gas costs) and the actual cost of purchases it incurs. The previously approved Primary Gas rate is based on a forecast of natural gas market prices, and the prices Centra actually pays usually differ from those forecasted. These differences are tracked in a Purchased Gas Variance Account (PGVA). When the actual cost of gas is greater than what was forecasted, a positive balance accrues in the PGVA, which is then collected from customers. When the actual cost of gas is less than what was forecasted, a negative balance accrues in the PGVA and this is refunded to customers. A Primary Gas rate rider is used to account for these differences between forecasted and actual costs of Primary Gas.

A Primary Gas rate rider recovers from or repays to customers the balance in the PGVA, with interest.³ Utilization of the PGVA and rate rider ensures that customers' costs are adjusted with the rate riders so that customers are paying for the actual cost of gas with no mark-up or discount. The Primary Gas rate rider is determined by dividing

² Due to significant seasonal and daily weather and resulting demand swings in Manitoba, Centra makes use of seasonal gas storage facilities in order to optimize its gas supply portfolio costs and reliability. This includes relying partially on storing gas in the summer months and retrieving it from storage during the winter months.

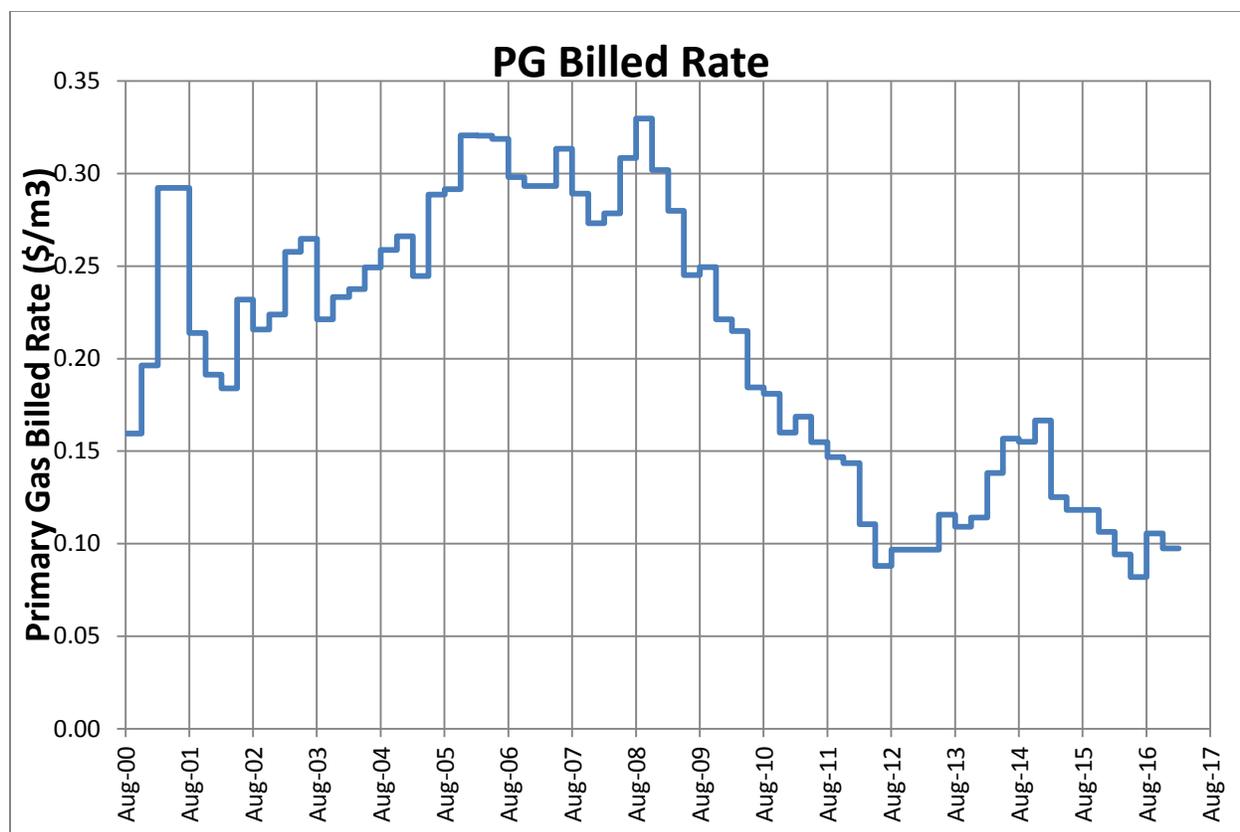
³ Interest is determined based on Centra's actual cost of borrowing, which reflects the carrying cost, to Centra, of the PGVA balance.

the accumulated balance in the PGVA by the volumes Centra forecasts to flow in the upcoming twelve months, and is shown in row 5 of Table 2. If the PGVA balance is not brought to zero with the rate rider, the remaining balance will be included in the calculation of future rate riders.

The Primary Gas rate rider is combined with the Primary Gas Base Rate to arrive at the Primary Gas Billed Rate, as shown in row 6 of Table 2, and this is the rate that Centra uses to calculate the bills of its Primary Gas customers.

The forecasted PGVA balance for October 31, 2016 is \$13.9 million owing to customers. This will be refunded to customers by way of a rate rider of \$0.0113/m³ resulting in a Primary Gas Billed Rate of \$0.0974/m³ as shown in row 6 of Table 2.

The following chart graphically shows the Primary Gas Billed Rate from August 1, 2000 up to and including the proposed November 1, 2016 rate.



4.0 Centra's Application for Modified Transportation and Distribution Rates

As part of its October 14, 2016 Application, Centra also requested approval of Transportation (to Centra) and Distribution (to Customers) Sales and Transportation rates that reflect the removal of non-Primary Gas rate riders approved on an interim basis in Order 108/15 and set to expire on October 31, 2016.

Order 108/15 followed a review of Centra's Cost of Gas Application, originally filed on May 25, 2016. The Board's review of the Cost of Gas Application addressed the previously incurred gas costs from the 2012/13, 2013/14, and 2014/15 gas years⁴. Of particular interest was the review of an unprecedented balance of \$46 million in the Supplemental Gas PGVA accrued through the extraordinarily cold winter of 2013/14. The Board's review also addressed the forecast of gas costs for the then upcoming 2015/16 gas year.

Prior to this, in Order 123/14, the Board approved the recovery from customers of 50% of the \$46 million Supplemental Gas PGVA balance. Order 108/15 addressed the remaining \$23 million that had not yet been recovered from customers.

From its Cost of Gas Application review of the historical gas costs, the Board approved rate riders to recover from, or refund to, differences between the amounts paid by Centra for the supply of gas and the amounts billed to customers. These rate riders primarily recovered the balances in the Supplemental Gas, Transportation, and Distribution PGVAs accrued in the 2014/15 gas year, as well as the remaining \$23 million balance in the Supplemental Gas PGVA which had been primarily accrued during the winter of 2013/14. All of these non-Primary Gas rate riders were approved for the period November 1, 2015 to October 31, 2016.

⁴ A "gas year" runs from November 1 to October 31.

Due to changes in customer consumption primarily caused by weather, rate riders typically do not recover or refund the exact PGVA balances over the 12 month period. By October 31, 2016, it is expected that there will be a residual deferral account balance of between \$5 million and \$6 million that remains to be collected from customers. This balance will be addressed at Centra's next Cost of Gas or General Rate Application proceeding.

In Order 108/15, the Board directed special rate rider treatment for Interruptible and Transportation Service customers so that these customers that did not contribute to the extraordinary 2013/14 Supplemental Gas PGVA balance were not required to pay these costs through rate riders, even if they changed the type of service they received from Centra. Likewise, customers that contributed to the 2013/14 Supplemental Gas costs but changed their type of service (to a service class that is not normally charged for Supplemental Gas) were still required to pay these costs.⁵ With the elimination of the rate riders recovering the Supplemental Gas PGVA from the 2013/14 gas year, this temporary rate rider treatment is no longer required.

⁵ For example, Interruptible and Transportation Service customers did not contribute to the Supplemental Gas PGVA in 2013/14. If these customers changed to a Firm or Sales Service after May 1, 2014, they would be subject to paying the firm Supplemental Gas rate rider, even though they did not contribute to the Supplemental Gas PGVA balance. Conversely, firm Sales Service customers that change to Transportation Service were still required to pay the firm Supplemental Gas rate rider, since these customers contributed to the Supplemental Gas PGVA balance. Additional information can be found in the Board's Order 108/15 pages 40 and 41.

5.0 Customer Impact

On its own, the projected annualized bill impact of the change in the Primary Gas rate represents an annual bill decrease of approximately 2.2% (or \$17 per year) for a typical residential consumer, based on an average annual consumption of 2,243 m³ of gas.

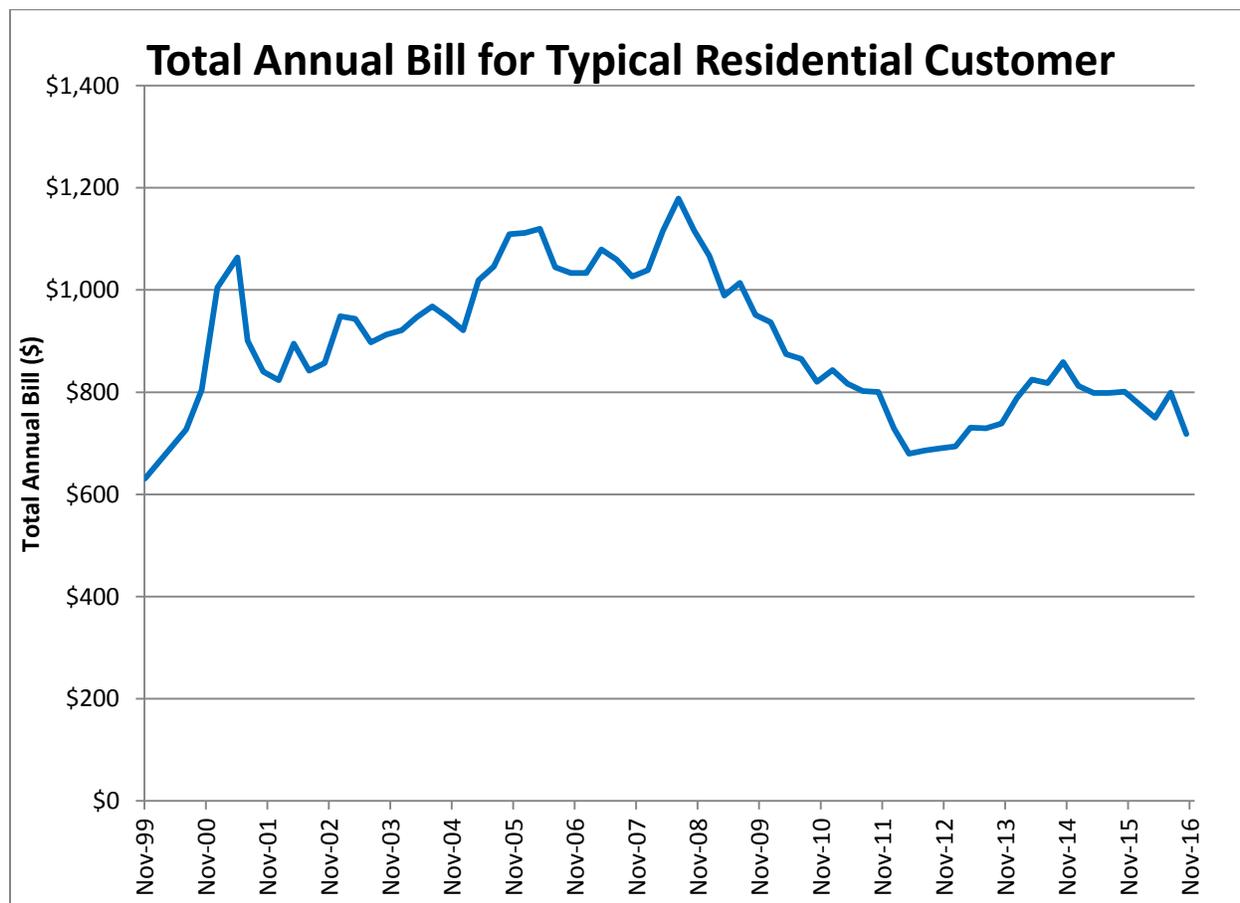
However, when taking into account the removal of non-Primary Gas rate riders that are set to expire on October 31, 2016, customers will experience additional annualized bill decreases.

The combined annualized bill impacts effective November 1, 2016 on the various customer classes resulting from the change in the Primary Gas rate and the removal of non-Primary Gas rate riders that are set to expire on October 31, 2016 are as follows:

Customer Class	Annualized Rate Decrease (Illustrative)
Small General Service	(7.8%) – (11.9%)
Large General Service	(11.4%) – (15.4%)
High Volume Firm	(12.3%) – (14.3%) ⁰
Mainline	(16.1%) – (17.0%)
Interruptible	(10.4%) – (12.4%)

The projected combined annualized bill impact for a typical residential customer, based on average annual consumption of 2,243 m³ of gas, is a decrease of \$78 per year or 9.9% from August 1, 2016 rates.

A graph of the historical annual bill for typical residential customers as a result of all of Centra's rate changes is shown below:



6.0 Board Findings

Approval

As Centra's October 14, 2016 Application properly reflects the Board-approved Rate Setting Methodology, the Board approves Centra's Application to amend the Primary Gas rate. The Primary Gas rate will decrease to \$0.0974/m³ effective November 1, 2016.

Primary Gas rate changes affect only those customers receiving quarterly-priced Primary Gas from Centra. Customers on fixed-price contracts with either gas marketers or Centra are not affected. The next review of the Primary Gas rate will take place as of February 1, 2017.

The Board also approves Centra's Application to modify existing Transportation and Distribution rates to reflect the removal of non-Primary Gas rate riders approved on an interim basis in Order 108/15 and set to expire on October 31, 2016. In addition, the current temporary rate rider treatment, which was approved in Order 108/15, for Interruptible customers that migrate to Firm Service and customers that migrate to or from Transportation Service on or after May 1, 2014 is no longer required.

Notification

Centra must advise its customers of the change in the Primary Gas rate.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure (Rules). The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.

7.0 It Is Therefore Ordered That:

1. The Schedules of Rates attached to this Order as Appendix "A", effective for all gas consumed on and after November 1, 2016, BE AND ARE HEREBY APPROVED on an interim basis.
2. This Interim Order shall be in effect until confirmed or otherwise dealt with by a further Order of the Board.

THE PUBLIC UTILITIES BOARD

"Robert T. Gabor, Q.C."
Chair

"Kurt Simonsen"
Acting Secretary

Certified a true copy of Order No. 137/16
issued by The Public Utilities Board

Acting Secretary

8.0 Appendix "A" – Schedule of Rates

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Rates Effective Nov 1, 2016

ATTACHMENT 1
 Nov 1, 2016
 Page 1 of 4

CENTRA GAS MANITOBA INC.
 FIRM SALES AND DELIVERY SERVICES
 RATES SCHEDULES (BASE RATES ONLY - NO RIDERS)

1	Territory:	Entire natural gas service area of Company, including all zones				
2						
3	Availability:					
4	SGC:	For gas supplied through one domestic-sized meter.				
5	LGC:	For gas delivered through one meter at annual volumes less than 680,000 m ³				
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m ³				
7	CO-OP:	For gas delivered to natural gas distribution cooperatives				
8	MLC:	For gas delivered through one meter to customers served from the Transmission system				
9	Special Contract:	For gas delivered under the terms of a Special Contract with the Company				
10	Power Station:	For gas delivered under the terms of a Special Contract with the Company				
11						
12	Rates:	Distribution to Customers				
		Transportation to			Primary Gas Supply	Supplemental Gas Supply¹
		Centra	Sales Service	T-Service		
13						
14	Basic Monthly Charge: (\$/month)					
15	Small General Class (SGC)	N/A	\$14.00	N/A	N/A	N/A
16	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A	N/A
17	High Volume Firm (HVF)	N/A	\$1,221.42	\$1,221.42	N/A	N/A
18	Cooperative (CO-OP)	N/A	\$318.21	\$318.21	N/A	N/A
19	Main Line Class (MLC)	N/A	\$1,247.13	\$1,247.13	N/A	N/A
20	Special Contract	N/A	N/A	\$117,914.17	N/A	N/A
21	Power Station	N/A	N/A	\$8,026.07	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.3094	\$0.1666	\$0.1666	N/A	N/A
25	Cooperative (CO-OP)	\$0.4709	\$0.1310	\$0.1310	N/A	N/A
26	Main Line Class (MLC)	\$0.5475	\$0.1816	\$0.1816	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0048	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m³)					
31	Small General Class (SGC)	\$0.0502	\$0.0943	N/A	\$0.1087	\$0.1563
32	Large General Class (LGC)	\$0.0480	\$0.0416	N/A	\$0.1087	\$0.1563
33	High Volume Firm (HVF)	\$0.0174	\$0.0091	\$0.0091	\$0.1087	\$0.1563
34	Cooperative (CO-OP)	\$0.0034	\$0.0001	\$0.0001	\$0.1087	\$0.1563
35	Main Line Class (MLC)	\$0.0037	\$0.0045	\$0.0045	\$0.1087	\$0.1563
36	Special Contract	N/A	N/A	\$0.0001	N/A	N/A
37	Power Station	N/A	N/A	\$0.0083	N/A	N/A
38						
39	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
40						
41	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
42						
43	Effective:	Rates to be charged for all billings based on gas consumed on and after Nov 1, 2016.				

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Rates Effective Nov 1, 2016

ATTACHMENT 1
Nov 1, 2016
Page 2 of 4

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATE SCHEDULES (BASE RATES ONLY - NO RIDERS)

Territory:	Entire natural gas service area of Company, including all zones.				
Availability:	For any Consumer at one location whose annual natural gas requirements equal or exceed 680,000m ³ and who contracts for such service for a minimum of one year, or who received Interruptible Service continuously since December 31, 1996. Service under this rate shall be limited to the extent that the Company considers it has available natural gas supplies and/or capacity to provide delivery service.				
Rates:	<u>Distribution to Customers</u>				
	<u>Transportation to Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Primary Gas Supply</u>	<u>Supplemental Gas Supply¹</u>
Basic Monthly Charge: (\$/month)					
Interruptible Service	N/A	\$1,254.45	\$1,254.45	N/A	N/A
Mainline Interruptible (with firm delivery)	N/A	\$1,247.13	\$1,247.13	N/A	N/A
Monthly Demand Charge (\$/m³/month)					
Interruptible Service	\$0.1438	\$0.0851	\$0.0851	N/A	N/A
Mainline Interruptible (with firm delivery)	\$0.2213	\$0.1816	\$0.1816	N/A	N/A
Commodity Volumetric Charge: (\$/m³)					
Interruptible Service	\$0.0093	\$0.0089	\$0.0089	\$0.1087	\$0.1560
Mainline Interruptible (with firm delivery)	\$0.0038	\$0.0045	\$0.0045	\$0.1087	\$0.1560
Alternate Supply Service:			Negotiated		
Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
Delivery - Interruptible Class			\$0.0117		
Delivery - Mainline Interruptible Class			\$0.0105		
¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
Effective:	Rates to be charged for all billings based on gas consumed on and after Nov 1, 2016.				

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Rates Effective Nov 1, 2016

ATTACHMENT 1
Nov 1, 2016
Page 3 of 4

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATE SCHEDULES (BASE RATES PLUS RIDERS)

1	Territory:	Entire natural gas service area of Company, including all zones.				
2						
3	Availability:					
4	SGC:	For gas supplied through one domestic-sized meter.				
5	LGC:	For gas delivered through one meter at annual volumes less than 680,000 m ³ .				
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m ³ .				
7	Co-op:	For gas delivered to natural gas distribution cooperatives.				
8	MLC:	For gas delivered through one meter to consumers served from the Transmission system.				
9	Special Contract:	For gas delivered under the terms of a Special Contract with the Company.				
10	Power Station:	For gas delivered under the terms of a Special Contract with the Company.				
11						
12	Rates:	Distribution to Customers				
		Transportation			Primary	Supplemental
		to			Gas	Gas
		Centra	Sales Service	T-Service	Supply	Supply¹
13						
14						
15	Basic Monthly Charge: (\$/month)					
16	Small General Class (SGC)	N/A	\$14.00	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$1,221.42	\$1,221.42	N/A	N/A
19	Cooperative (Co-op)	N/A	\$318.21	\$318.21	N/A	N/A
20	Main Line Class (MLC)	N/A	\$1,247.13	\$1,247.13	N/A	N/A
21	Special Contract	N/A	N/A	\$117,914.17	N/A	N/A
22	Power Station	N/A	N/A	\$8,026.07	N/A	N/A
23						
24	Monthly Demand Charge (\$/m³/month)					
25	High Volume Firm Class (HVF)	\$0.3094	\$0.1666	\$0.1666	N/A	N/A
26	Cooperative (Co-op)	\$0.4709	\$0.1310	\$0.1310	N/A	N/A
27	Main Line Class (MLC) (Firm)	\$0.5475	\$0.1816	\$0.1816	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A
29	Power Station	N/A	N/A	\$0.0048	N/A	N/A
30						
31	Commodity Volumetric Charge: (\$/m³)					
32	Small General Class (SGC)	\$0.0502	\$0.0943	N/A	\$0.0974	\$0.1563
33	Large General Class (LGC)	\$0.0480	\$0.0416	N/A	\$0.0974	\$0.1563
34	High Volume Firm Class (HVF)	\$0.0174	\$0.0091	\$0.0091	\$0.0974	\$0.1563
35	Cooperative (Co-op)	\$0.0034	\$0.0001	\$0.0001	\$0.0974	\$0.1563
36	Main Line Class (MLC) (Firm)	\$0.0037	\$0.0045	\$0.0045	\$0.0974	\$0.1563
37	Special Contract	N/A	N/A	\$0.0001	N/A	N/A
38	Power Station	N/A	N/A	\$0.0083	N/A	N/A
39						
40	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
41						
42						
43						
44						
45	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
46						
47	Effective:	Rates to be charged for all billings based on gas consumed on and after Nov 1, 2016.				

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Rates Effective Nov 1, 2016

ATTACHMENT 1
Nov 1, 2016
Page 4 of 4

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATE SCHEDULES (BASE RATES PLUS RIDERS)

1	Territory:	Entire natural gas service area of Company, including all zones.				
2						
3	Availability:	For any Consumer at one location whose annual natural gas requirements equal or exceed 680,000m ³ and who contracts for such service for a minimum of one year, or who received Interruptible Service continuously since December 31, 1996. Service under this rate shall be limited to the extent that the Company considers it has available natural gas supplies and/or capacity to provide delivery service.				
4						
5	Rates:	<u>Distribution to Customers</u>				
6		<u>Transportation to</u>			<u>Primary Gas</u>	<u>Supplemental Gas</u>
7		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply</u>	<u>Supply¹</u>
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,254.45	\$1,254.45	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,247.13	\$1,247.13	N/A	N/A
11						
12	Monthly Demand Charge (\$/m³/month)					
13	Interruptible Service	\$0.1438	\$0.0851	\$0.0851	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.2213	\$0.1816	\$0.1816	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0093	\$0.0089	\$0.0089	\$0.0974	\$0.1560
18	Mainline Interruptible (with firm delivery)	\$0.0038	\$0.0045	\$0.0045	\$0.0974	\$0.1560
19						
20						
21	Alternate Supply Service:			Negotiated		
22	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
23	Delivery Service - Interruptible Class			\$0.0117		
24	Delivery Service - Mainline Interruptible Class			\$0.0105		
25						
26	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
27						
28	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
29						
30	Effective:	Rates to be charged for all billings based on gas consumed on and after Nov 1, 2016.				