

MANITOBA) **Order No. 7/12**
)
THE PUBLIC UTILITIES BOARD ACT) **January 20, 2012**

BEFORE: Graham Lane CA, Chairman
Leonard Evans LLD, Member
Monica Girouard CGA, Member

**CENTRA GAS MANITOBA INC.: PRIMARY
GAS RATES, EFFECTIVE FEBRUARY 1, 2012**

Table of Contents

	Page
1.0 SUMMARY	3
2.0 INTRODUCTION.....	5
3.0 BACKGROUND.....	7
4.0 OUTSTANDING POSITIONS, HEDGING	9
5.0 CUSTOMER IMPACT.....	9
6.0 BOARD FINDINGS.....	10
7.0 IT IS THEREFORE ORDERED THAT:.....	11
SCHEDULES OF RATES.....	APPENDIX “A”

1.0 Summary

By this Order, the Public Utilities Board (Board) approves on an interim *ex parte* basis a decrease of 23% to be applied to Centra Gas Manitoba Inc.'s (Centra) Primary Gas rate as of February 1, 2012. Centra's Primary Gas rate will decrease from \$0.1436/m³ to \$0.1105/m³.

The decrease, when combined with other bill elements (primarily reflecting Centra's distribution costs) is expected to result in an overall decrease of \$79 per year (approximately 9.2%) for the "typical" residential customer receiving quarterly-priced Primary Gas from Centra. Larger volume customers receiving quarterly-priced Primary Gas from Centra may expect an annualized bill decrease that ranges from 10.3% to 20.8% (depending on volumes consumed).

Customers purchasing Primary Gas on fixed rate contracts (from either private marketers or Centra) are not affected, as the Primary Gas component of their bill is established by contract. Furthermore, Supplemental gas, Transportation, and Distribution rates, which affect all customers, are also not affected by this Order.

Factors Driving Rates

While oil prices have fluctuated in the range of \$90 to \$100 + over the past quarter, natural gas prices have declined. Since the commodity collapse of late 2008 and early 2009, oil prices have rebounded while natural gas prices have fallen further.

One of the primary reasons for the low price for natural gas is the identification and production of new North American natural gas supplies arising from the development of economically available shale gas.

The recoverable shale gas resource has been expanding due to improvements in recovery technologies. The development of shale gas resources in North America has been classified by many as a "game changer". Recently, shale gas accounts for about 16% of U.S. and Canadian natural gas supply, and this segment of the overall natural gas supply is expected to continue to grow, eliminating the previous concern that the resource base was falling and shipments of liquefied natural gas from the middle East would be required.

Another reason for the continuation of low natural gas prices has been the slow recovery of the North American economy, particularly the United States and particularly with respect to industry (which are large consumers of natural gas). To some extent the decrease in demand from

industry has been or is expected to be replaced by the increased use of natural gas in the generation of electricity.

Despite the additional natural gas resources (from shale gas development) and lower than expected demand due to the slow recovery of large industry, future prices for natural gas remain subject to uncertainty.

Improved economic growth in North America and increased use of natural gas in electricity generation could result in natural gas prices rising. As well, government environmental policies may also impact prices should such policies favour the development of a clean energy standard including a carbon cap-and-trade program or the placing of a price on carbon emissions.

Compared to coal, natural gas emits much lower emissions, and natural gas could be a preferred fuel choice under such a policy environment. There is also uncertainty concerning possible negative environmental impacts resulting from shale gas development technologies – in particular, various jurisdictions and agencies have been concerned about the potential risk to water aquifers.

Natural gas price projections at this time are not predicting significant increases in natural gas prices for the near future. In fact, natural gas prices remain subject to downward pressure from steady, if not increased, production levels of natural gas from the continued development of shale gas resources. As well, there is significant gas in storage.

The chart below reflects the 12-month futures price strip for natural gas taken on January 3, 2012 and used in the calculation of Primary Gas rates.

AECO Price\$/GJ (Canadian)

Feb/12	Mar/12	Apr/12	May/12	June/12	July/12	Aug/12	Sept/12	Oct/12	Nov/12	Dec/12	Jan/13
2.6323	2.6650	2.6575	2.6575	2.655	2.695	2.7375	2.7625	2.8400	3.0225	3.2375	3.315

As well, February 1, 2012 Primary Gas rates have been influenced by:

- a) Gas purchased at prices slightly higher than current market prices and stored within Centra’s natural gas storage facilities (located in Michigan); these volumes are to be drawn down through the winter months (higher prices paid for gas in storage mitigate the decline in the Primary gas rate).

- b) The Primary Gas rate rider charging consumers for past differences between actual natural gas costs and the forecasted costs reflected in prior rates -- the estimated Primary Gas rate rider as of February 1, 2012 reflects approximately \$12.9 million owing to customers.
- c) The Board-approved Rate Setting Methodology (RSM), a process agreed to by interveners representing customer groups and Centra (administered by Manitoba Hydro), and approved by the Board. The process involves Purchased Gas Variance Accounts (PGVA) recording variances between projected and actual costs of natural gas, for reflection in rates at the next quarterly rate setting.

Quarterly Primary Gas rate setting does not involve a public hearing, this recognizing the “mathematically-based” process for the quarterly rate settings and reflecting the objective of least-cost regulation (through the deferral of a public review of rates to the Board’s annual Cost of Gas hearing).

2.0 Introduction

Centra is a wholly-owned subsidiary of Manitoba Hydro (MH), and is Manitoba’s largest natural gas distributor. 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 billings to Centra’s customers are:

- Primary Gas Rates (quarterly-priced system gas from Centra – the subject of this Order, or gas purchased for fixed-price contract customers);
- Supplemental Gas Rates (applying to the majority of customers, whether provided quarterly-priced Primary Gas by Centra or through fixed-price contracts);
- Transportation (to Centra) Rates (applicable to the majority of customers);
- Distribution (to Customer) Rates (applicable to all customers); and
- Basic Monthly Charge (BMC) (applicable to all customers).

Centra’s Primary Gas rates are subject to amendment quarterly, on February 1, May 1, August 1, and November 1 of each year. These regularly scheduled quarterly Primary Gas rate reviews

occur in accordance with the Board-approved RSM, which is formula-driven and relies on established accounting and rate setting conventions.

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

Board Order 66/11, dated May 2, 2011, is the most recent Board Order arising out of Centra's Cost of Gas review. Order 66/11 approved both Centra's quarterly interim Primary Gas rate as well as rate changes to the Non-Primary Gas components of Centra's rates. Board Order 150/11, dated October 25, 2011, approved the most recent change to Centra's Primary Gas rate.

Historically, Centra hedged a percentage of its Primary Gas purchases, pursuant to a Board-approved policy implemented to reduce rate volatility. That said, the Board, by Order 170/09, directed a phase-out of hedging Primary Gas for "system gas" customers, from 75% of eligible volumes to 0% by August of 2011.

In accordance with Order 170/09, from August 1, 2011 customers purchasing quarterly-priced Primary Gas from Centra will experience rates more reflective of the actual market prices of natural gas. As such, there are no hedge impacts to include in the determination of February 1, 2012 Primary Gas sales rates. Changes in quarterly-priced Primary Gas rates will still be moderated by: a) the cost of gas in storage, and b) the quarterly pricing methodology. Customers desiring additional stability for their gas bills may elect Manitoba Hydro's equal monthly payment plan (EPP), whereby monthly bills can be fixed based on estimated consumption and rates, or by contracting for Primary gas under a fixed rate and fixed term from a gas marketer or Centra.

The Board directed the phase-out of hedging because of the recent availability of fixed-term fixed-priced Primary Gas contracts from Centra, as well as the continuing availability of such fixed-price contracts from private marketers.

Rate riders also affect customer bills. Rate riders recover or repay, from or to customers, balances developing through differences that arise between billed rates and actual rates, with interest. The estimated balance in the Primary Gas Variance Account is \$12.9 million owing to customers. This is included in the calculated Primary Gas billed rate.

3.0 Background

The following table illustrates changes in natural gas commodity prices and prospective overall bills since August 1, 2007, from the perspective of the average residential customer purchasing Primary Gas from Centra by way of quarterly Primary Gas rates:

Historical Primary Gas Costs and Bill Impacts

Date	Primary Gas Commodity Cost	% change in Primary Gas Cost	Annual Bill Adjusted to Current Typical Residential Volume	% Change in Total Projected Annual Bill at Current Volumes
1-Aug-07	7.457/GJ	-7%	\$1180	(1.8%)
1-Nov-07	7.070/GJ	-5%	\$1139	(3.5%)
1-Feb-08	7.314/GJ	3%	\$1153	1.2%
1-May-08	8.308/GJ	14%	\$1238	7.4%
1-Aug-08	9.473/GJ	14%	\$1309	5.8%
1-Nov-08	7.945/GJ	-16%	\$1239	(5.4%)
1-Feb-09	7.852/GJ	-1%	\$1183	(4.5%)
1-May-09	7.041/GJ	-10%	\$1095	(7.5%)
1-Aug-09	6.628/GJ	-6%	\$1122	2.5%
1-Nov-09	5.566/GJ	-16.0%	\$1051	(6.3%)
1-Feb-10	5.500/GJ	1.2%	\$1035	(1.6%)
1-May-10	4.864/GJ	-12%	\$ 962	(6.1%)
1-Aug-10	4.740/GJ	-3%	\$ 954	(0.8%)
1-Nov-10	4.166/GJ	-12%	\$ 912	(5.3)
1-Feb-11	4.245/GJ	2%	\$ 930	2%
1-May-11	4.105/GJ	-3.3%	\$ 882	(3.1%)
1-Aug-11	3.903/GJ	-4.9%	\$ 865	(1.8%)
1-Nov-11	3.755/GJ	-3.8%	\$ 863	(0.9%)
1-Feb-12	3.166/GJ	-15.7%	\$ 784	(9.2%)

Notes

1. The average annual bill above is based on the estimated annual consumption of a typical residential customer of 2,465 cubic metres with 97% from Primary Gas and 3% from Supplemental Gas.
2. Residential customers receiving Primary Gas from marketers and Centra's Fixed Rate Primary Gas Service would not have the same cost and bill experience as Centra's Quarterly Service customers. Primary Gas costs for customers on fixed rate contracts are in accordance with the contract with the supplier, generally fixed for one to five years at rates different than those charged by Centra as per the above quarterly rates.
3. The above table incorporates changes approved by the Board for both non-Primary Gas and Primary Gas from August 1, 2007 through to February 1, 2012.

4. The Board's RSM considers factors other than natural gas commodity prices including the cost of gas in storage and historical hedging results. Accordingly, the volatility in Primary Gas rates experienced by Centra's Primary Gas customers is reduced as overall rates also take into account operating, amortization, administrative and financial costs.

The following table reports the composite elements of recent Primary Gas rate amendments:

Historical Primary Gas Costs and Rate Calculations

Component	Costs and Proposed Rates Feb 1/11	Costs and Proposed Rates May 1/11	Costs and Proposed Rates Aug 1/11	Costs and Proposed Rates Nov 1/11	Costs and Proposed Rates Feb 1/12
Date of Forward Price Strip	January 4, 2011	April 1, 2011	July 1, 2011	October 3, 2011	January 3, 2011
¹ 12 Month Forward Price per GJ	\$4.294	\$4.145	\$3.919	\$3.760	\$3.045
² Costs (gains) resulting from Hedging	\$0.0428	\$0.02	\$0.000	\$0.00	\$0.00
Forecast Gas Supply Price	\$4.337	\$4.165	\$3.919	\$3.760	\$3.045
³ Cost of Gas drawn from Storage	\$3.852	\$3.852	\$3.852	\$3.735	\$3.675
Weighted Gas, Cost (mix of Gas Supply & Storage Gas costs)	\$4.245	\$4.105	\$3.903	\$3.755	\$3.166
Rate per Cubic Metre	\$0.1604	\$0.1552	\$0.1475	\$0.1419	\$0.1197
⁴ Base Primary Rate, adding Fuel and Overhead cost component per cubic metre	\$0.1634	\$0.1582	\$0.15014	\$0.14424	\$0.1218
⁵ Plus (Less) PGVA Rider per cubic metre	\$0.0053	(\$0.0034)	\$0.0033	\$0.0006	\$0.0113
Total Billed Rate	\$0.1687	\$0.1548	\$0.1468	\$0.1436	\$0.1105

Notes:

1. Primary Gas rate increase factors in 100% of the increase between the current 12-month forward price for Western Canadian natural gas commodity supplies for the period February 1, 2012 to January 31, 2013 from the price as of January 3, 2012.
2. Board Order 170/09 directed a phase-out of hedging Primary Gas by August of 2011.
3. The cost of gas drawn from storage for supply to Primary Gas customers is accounted for, reflecting the actual cost of gas in storage (withdrawals commence November 1), and blended in on a weighted basis to arrive at a weighted gas cost.
4. At February 1, 2012, compressor fuel costs are \$0.0005/m³ and overhead cost components are \$0.00164/m³.
5. Rate changes by means of rate riders are established to collect or refund from customers any accumulated Primary Gas PGVA balances over the next 12 month period.

A Primary Gas rate rider of \$0.0113/m³ (reflecting an estimated balance, to January 31, 2012 of approximately \$12.9 million owing to customers), will be applied to the Primary Gas Rate. This rate rider is expected to refund \$12.9 million to customers, assuming normal volumes of gas consumed over the period February 1, 2012 to January 31, 2013. Any under-refunded or over-refunded balances will be included in the calculation of future rate riders.

Primary Gas rates also reflect the cost of gas withdrawn from storage. Slightly higher gas prices experienced during the storage refill season than are forecasted for the coming year resulted in a forecast cost of \$3.675/GJ for the Primary Gas in storage as of October 31, 2011.

4.0 Outstanding Positions, Hedging

Commencing August 2011, and as directed by Board Order 170/09, there is no hedging for the quarterly-priced Primary Gas. Accordingly, there are no hedge impacts to include in the determination of the February 1, 2012 Primary Gas rate.

5.0 Customer Impact

The annualized bill impacts effective February 1, 2012 of the change in the Primary Gas rates arising out of this Application on the various customer classes are as follows:

Customer Class	Annualized Rate Decrease
SGS	7.1 – 10.8%
LGS	10.3 – 13.8%
High Volume Firm	13.2 – 17.1%
Mainline	15.1 – 17.8%
Interruptible	17.1 – 20.8%

The projected annualized net bill impact for a typical residential customer, based on average annual consumption of 2,465 m³ of Primary Gas is a decrease of \$79 (or 9.2%), from November 1, 2011 rates.

6.0 Board Findings

Approval

As Centra's January 12, 2012 Application to decrease the interim Primary Gas rate properly reflects the Board-approved RSM, the Board will approve Centra's proposal for a sharp decrease in the Primary Gas rate.

Primary Gas rate changes affect only customers receiving quarterly-priced system gas (Primary Gas) from Centra. Customers on fixed-price contracts (with either gas marketers or Centra) are not affected.

The next review of Primary Gas rates will take place as of May 1, 2012.

Notification

Centra is to advise its Primary Gas customers of the change in Primary Gas rates.

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 February 1, 2012, 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

“GRAHAM LANE CA”

Chairman

“KURT SIMONSEN P.ENG.”

Acting Secretary

Certified a true copy of Order No. 7/12
issued by The Public Utilities Board

Acting Secretary

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 Centra	Sales Service	T-Service	Primary Gas Supply	Supplemental Gas Supply¹
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	\$1,118.31	\$1,118.31	N/A	N/A
18	Cooperative (CO-OP)	N/A	\$274.06	\$274.06	N/A	N/A
19	Main Line Class (MLC)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
20	Special Contract	N/A	N/A	\$135,424.74	N/A	N/A
21	Power Station	N/A	N/A	\$11,565.60	N/A	N/A
22						
23	Monthly Demand Charge (\$/m3/month)					
24	High Volume Firm Class (HVF)	\$0.2408	\$0.1504	\$0.1504	N/A	N/A
25	Cooperative (CO-OP)	\$0.3606	\$0.1298	\$0.1298	N/A	N/A
26	Main Line Class (MLC)	\$0.4209	\$0.1580	\$0.1580	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0280	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m3)					
31	Small General Class (SGC)	\$0.0462	\$0.0869	N/A	\$0.1218	\$0.1344
32	Large General Class (LGC)	\$0.0451	\$0.0362	\$0.0362	\$0.1218	\$0.1344
33	High Volume Firm (HVF)	\$0.0201	\$0.0081	\$0.0081	\$0.1218	\$0.1344
34	Cooperative (CO-OP)	\$0.0091	\$0.0001	\$0.0001	\$0.1218	\$0.1344
35	Main Line Class (MLC)	\$0.0095	\$0.0015	\$0.0015	\$0.1218	\$0.1344
36	Special Contract	N/A	N/A	\$0.0002	N/A	N/A
37	Power Station	N/A	N/A	\$0.0165	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 February 1, 2012.				

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATE SCHEDULES (BASE RATES ONLY - NO 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:					
6		<u>Distribution to Customers</u>				
		<u>Transportation</u>			<u>Primary</u>	<u>Supplemental</u>
		<u>to</u>			<u>Gas</u>	<u>Gas</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply</u>	<u>Supply</u> ¹
7		<hr/>				
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,042.72	\$1,042.72	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
11						
12	Monthly Demand Charge (\$/m3/month)					
13	Interruptible Service	\$0.1127	\$0.0772	\$0.0772	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1734	\$0.1580	\$0.1580	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m3)					
17	Interruptible Service	\$0.0139	\$0.0051	\$0.0051	\$0.1218	\$0.1293
18	Mainline Interruptible (with firm delivery)	\$0.0097	\$0.0015	\$0.0015	\$0.1218	\$0.1293
19						
20	Alternate Supply Service:			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery - Interruptible Class			\$0.0076		
23	Delivery - Mainline Interruptible Class			\$0.0067		
24						
25	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
26						
27	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
28						
29	Effective:	Rates to be charged for all billings based on gas consumed on and after February 1, 2012.				

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	Gas	Supplemental
		to	Sales	T-Service	Supply	Supply	Gas	Supply¹
		Centra	Service					
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	\$1,118.31	\$1,118.31		N/A		N/A
19	Cooperative (Co-op)	N/A	\$274.06	\$274.06		N/A		N/A
20	Main Line Class (MLC)	N/A	\$2,353.33	\$2,353.33		N/A		N/A
21	Special Contract	N/A	N/A	\$135,424.74		N/A		N/A
22	Power Station	N/A	N/A	\$11,565.60		N/A		N/A
23								
24	Monthly Demand Charge (\$/m³/month)							
25	High Volume Firm Class (HVF)	\$0.3248	\$0.1506	\$0.1506		N/A		N/A
26	Cooperative (Co-op)	\$0.3606	\$0.1298	\$0.1298		N/A		N/A
27	Main Line Class (MLC) (Firm)	\$0.4666	\$0.1581	\$0.1581		N/A		N/A
28	Special Contract	N/A	N/A	N/A		N/A		N/A
29	Power Station	N/A	N/A	\$0.0278		N/A		N/A
30								
31	Commodity Volumetric Charge: (\$/m³)							
32	Small General Class (SGC)	\$0.0536	\$0.0849	N/A		\$0.1105		\$0.1344
33	Large General Class (LGC)	\$0.0531	\$0.0342	\$0.0344		\$0.1105		\$0.1344
34	High Volume Firm Class (HVF)	\$0.0160	\$0.0062	\$0.0064		\$0.1105		\$0.1344
35	Cooperative (Co-op)	\$0.0091	\$0.0001	\$0.0001		\$0.1105		\$0.1344
36	Main Line Class (MLC) (Firm)	\$0.0090	\$0.0015	\$0.0015		\$0.1105		\$0.1344
37	Main Line Class (MLC) Refund		-\$0.0020	-\$0.0018				
38	Special Contract	N/A	N/A	\$0.0002		N/A		N/A
39	Power Station	N/A	N/A	\$0.0144		N/A		N/A
40								
41								
42	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.						
43								
44	Effective:	Rates to be charged for all billings based on gas consumed on and after February 1, 2012.						

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 680,000m³ 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:**

6

	Distribution to Customers				Primary Gas Supply	Supplemental Gas Supply ¹
	Transportation to Centra	Sales Service		T-Service		

7

8 **Basic Monthly Charge: (\$/month)**

9 Interruptible Service N/A \$1,042.72 \$1,042.72 N/A N/A

10 Mainline Interruptible (with firm delivery) N/A \$2,353.33 \$2,353.33 N/A N/A

11

12 **Monthly Demand Charge (\$/m³/month)**

13 Interruptible Service \$0.1480 \$0.0774 \$0.0774 N/A N/A

14 Mainline Interruptible (with firm delivery) \$0.2087 \$0.1581 \$0.1581 N/A N/A

15

16 **Commodity Volumetric Charge: (\$/m³)**

17 Interruptible Service \$0.0110 \$0.0051 \$0.0030 \$0.1105 \$0.1293

18 Interruptible Service Refund -\$0.0174

19 Mainline Interruptible (with firm delivery) \$0.0068 \$0.0015 \$0.0015 \$0.1105 \$0.1293

20

21 **Alternate Supply Service:**

22 Gas Supply (Interruptible Sales and Mainline Interruptible) Negotiated

23 Delivery Service - Interruptible Class Cost of Gas \$0.0055

24 Delivery Service - Mainline Interruptible Class \$0.0067

25

26 ¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.

27

28 **Minimum Monthly Bill:** Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.

29

30 **Effective:** Rates to be charged for all billings based on gas consumed on and after February 1, 2012.