

MANITOBA) **Order No. 147/08**
)
THE PUBLIC UTILITIES BOARD ACT) **October 30, 2008**

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

**CENTRA GAS MANITOBA INC.: PRIMARY
GAS RATES, EFFECTIVE NOVEMBER 1, 2008**

Table of Contents

	Page
1.0 Summary	3
2.0 Introduction	5
3.0 Primary Gas Rates	8
4.0 Outstanding Positions, Hedging	10
5.0 Board Findings	11
6.0 It Is Therefore Ordered That:	12
Schedules of Rates	Appendix "A"

1.0 Summary

By this Order, the Public Utilities Board (Board) approves on an *ex parte* basis, decreases to interim natural gas rates as of November 1, 2008. As a result of this Order, Centra's Primary Gas rate will decrease from \$0.3297m³ (as set as of August 1) to \$0.3018m³, or 8.5%.

If the new rate were to remain in place for a year, and weather and other non-rate factors remained as before, a "typical" residential customer receiving primary gas from Centra would expect to experience an overall annual decrease in their natural gas bills of \$72, or 5.4 %. Larger volume customers provided primary gas by Centra would expect a decrease in the range of 5.8% to 7.8%.

Customers purchasing primary gas from brokers are not affected; for such customers the primary gas component of their bills is established by contract.

Supplemental, Transportation and Distribution rates, which affect all customers, are not affected by this Order.

Factors Driving Rates

To early July 2008, natural gas commodity prices were increasing sharply, primarily driven by a virtual doubling of oil prices over the past year. However, since early July both oil and natural gas prices have fallen sharply, as a global economic slow-down became anticipated driven in large part by a credit crisis. Centra does not mark-up its primary gas commodity costs, which are reflected in rates at cost.

Rates for Centra-supplied primary gas customers are influenced by:

- a) Gas purchased at prices higher than current market prices contained within Centra's natural gas storage facilities;
- b) Hedges placed earlier this year at a time of rising natural gas prices;

- c) Primary gas rate riders that either refund or charge to consumers past differences between natural gas costs and costs reflected in prior rates; and
- d) The Board-approved Rate Setting Methodology (RSM), a process agreed to by interveners representing customer groups and Centra/Manitoba Hydro, and approved by the Board, that involves Purchased Gas Variance Accounts (PGVA) recording variances between the projected and actual cost of natural gas, for reflection in the next quarterly rate setting.

The quarterly primary gas rate setting does not involve a public hearing and this furthers the objective of least-cost regulation through the deferral of a public review of rates to the Board's annual Cost of Gas hearing.

Variation of Practice

The rates now established reflect in part the futures price strip of October 15, 2008, as applied for by Centra. The Board has concluded that given the recent sharp downturn in commodity prices utilization of very recent pricing information is reasonable. Futures prices for the upcoming winter fell between October 1 and October 17 by on average \$0.35/GJ. Given increasing evidence of economic slowing, the Board determined to use the October 15 futures strip rather than an October 1st strip for the calculation of November 1, 2008 rates.

Advice for Consumers

There is no assurance of anything other than the continuing volatility of natural gas commodity prices. Futures prices are being driven by changes in oil prices, supply, demand and currency. Current forecasts suggest very little or no economic growth lies ahead, possibly for the next 18 months or more. The impact of the prospect of recession on natural gas exploration and supply is expected to be negative, further weighing on natural gas commodity prices.

While natural gas rates are likely to be relatively restrained this winter, the unexpected has occurred before and, in any case, heating by natural gas has tripled over the past decade and is particularly expensive for households with homes with inadequate insulation or old and

inefficient furnaces. Poor insulation and old inefficient furnaces can result in annual heating costs being close to or double what would be the case with proper insulation and new high-efficiency furnaces.

And, while residential Primary Gas rates will decrease from August 1, 2008 rates by 5.4% as of November 1, the new rate reflects a 9.7% increase over November 1, 2007 rates.

MH offers incentives to upgrade heating efficiency, with special programs for low-income households. These initiatives are funded by rates, federal incentives administered by MH, and the Affordability Energy Fund (AEF) (the latter established on a one-time basis out of MH's export revenues). The Board encourages customers to utilize these programs.

2.0 Introduction

Centra is a subsidiary of MH and is Manitoba's largest natural gas distributor. Centra's 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 (system gas from Centra – the subject of this Order, or purchased gas from brokers);
- Supplemental Gas Rates (applying to all Centra's customers, whether provided primary gas by Centra or through brokers);
- Transportation (to Centra) Rates (applicable in varying degrees to all 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.

A Primary gas rate rider reflecting the estimated balance of the Primary Gas PGVA of \$4.4 Million owing to customers will be refunded over the period November 2008 to October 2009.

Non-primary gas components of Centra's rates, for all customers including those receiving natural gas from brokers, 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).

Centra hedges its primary gas purchases, pursuant to a Board-approved policy implemented to reduce rate volatility. In 2007, a wider price band was established for Centra's hedging, and this wider band is expected to reduce the magnitude of both hedging gains and losses while providing customers protection from severe price spikes. Hedges undertaken in 2008 to July were done in a rising market resulting in expected additional primary gas costs of approximately \$27.5 million over the next twelve months (if the current forecast holds); actual results are expected to vary. With the recent steep price drop since July, the wider bands for hedges that are now in place have the effect of allowing Centra, and consumers, to participate more in reduced costs than would have been the case with the previous narrow band.

Currently, natural gas commodity costs represent approximately 70% of a customer's bill, for a customer receiving primary natural gas from Centra rather than from a broker. The following table illustrates changes in natural gas commodity prices and prospective overall bills over time for the average residential customer purchasing primary gas from Centra:

Date	Primary Gas Commodity Cost	% change in Primary Gas Cost	Projected Average Annual Bill, including Primary Gas Costs	% Change in the Total Projected Annual Bill
December 1, 1999	\$3.003/GJ	Base	\$ 758	Base
August 1, 2000	5.187/GJ	72.7%	821	15.6%
November 1, 2000	5.894/GJ	13.6%	910	10.9%
February 1, 2001	9.251/GJ	57.0%	1141	25.4%
June 1, 2001	6.429/GJ	(30.5%)	1210	6.0%
August 1, 2001	4.614/GJ	(28.2%)	1021	-15.6%
November 1, 2001	4.168/GJ	(9.7%)	952	-6.8%
February 1, 2002	4.028/GJ	(3.4%)	932	-2.0%
May 1, 2002	5.094/GJ	26.5%	1015	8.8%
August 1, 2002	4.759/GJ	(6.6%)	954	-6.0%
November 1, 2002	5.024/GJ	5.6%	971	1.8%
February 1, 2003	5.860/GJ	16.6%	1077	10.8%
May 1, 2003	5.928/GJ	1.2%	1071	-0.5%
August 1, 2003	5.857/GJ	(1.2%)	1018	-5.0%
November 1, 2003	6.003/GJ	2.5%	1035	1.7%
February 1, 2004	6.148/GJ	2.4%	1045	1.0%
May 1, 2004	6.413/GJ	4.3%	1075	2.8%
August 1, 2004	6.683/GJ	4.2%	1099	2.2%
November 1, 2004	7.032/GJ	5.2%	1074	-2.3%
February 1, 2005	6.637/GJ	(5.6%)	1045	-2.7%
May 1, 2005	7.855/GJ	18.4%	1158	10.8%
August 1, 2005	7.957/GJ	1.3%	1189	2.6%
November 1, 2005	9.314/GJ	17.1%	1262	6.2%
February 1, 2006	9.162/GJ	(1.6%)	1265	0.2%
May 1, 2006	9.205/GJ	0.5%	1275	0.7%
August 1, 2006	8.818/GJ	(4.2%)	1188	-6.8%
November 1, 2006	7.941/GJ	(9.9%)	1175	-1.1%
February 1, 2007	7.661/GJ	(3.5%)	1175	0.0%
May 1, 2007	8.040/GJ	4.9%	1227	4.5%
August 1, 2007	7.457/GJ	(7.3%)	1205	-1.8%
November 1, 2007	7.070/GJ	(5.2%)	1163	-3.5%
February 1, 2008	7.314/GJ	3.4%	1177	1.2%
May 1, 2008	8.308/GJ	13.6%	1264	7.4%
August 1, 2008	8.665/GJ	4.3%	1337	5.8%
November 1, 2008	7.945/GJ	(8.30%)	1265	(5.4%)

- Note 1: The average annual bill above is based on the estimated annual consumption of a typical customer of 2,590 cubic metres. On May 1, 2005 annual consumption, previously estimated at 3,201 cubic metres, was reduced to 2,802 and further reduced to 2,590 as of August 1, 2007 to reflect the effects from customer conservation efforts.
- Note 2: November 1, 2005 and February 1, 2006 rates were affected by the deferral of one-half of an otherwise sharp rate increase pursuant to the RSM. In February 2006, when commodity prices had fallen, the RSM was restored.
- Note 3: Residential customers receiving primary gas from brokers rather than from Centra would not have the same cost and bill experience as Centra's customers. Primary gas costs of broker customers are in accordance with the contract with the broker, generally fixed for three to five years at rates different than those charged by Centra.
- Note 4: The above table incorporates changes approved by the Board for both non-Primary Gas and Primary Gas from 1999 through to November 1, 2008.
- Note 5: The Board's RSM considers factors other than natural gas commodity prices, these including the cost of gas in storage and 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.

3.0 Primary Gas Rates

BACKGROUND, PRIMARY GAS BASE AND BILLED RATES

The following table reports the composite elements of recent primary gas rate amendments:

Component	Costs and Rates November 1/07	Costs and Rates February 1, 2008	Costs and Proposed Rates May 1, 2008	Costs and Proposed Rates August 1, 2008	Costs and Rates November 1/08
Date of Forward Price Strip	October 1, 2007	January 2, 2008	April 1, 2008	July 17, 2008	October 1, 2008
¹ 12 Month Forward Price	\$6.491/GJ	\$7.221/GJ	\$8.999/GJ	\$9.593/GJ	\$7.125
² Costs (gains) resulting from Hedging	\$0.707/GJ	\$0.278/GJ	(\$0.321/GJ)	(\$0.492/GJ)	\$0.740
⁴ Forecast Gas Supply Price	\$7.198	\$7.499	\$8.678/GJ	\$9.101/GJ	\$7.865
³ Cost of Gas drawn from Storage	\$6.380/GJ	\$6.319/GJ	\$6.319/GJ	\$6.319/GJ	\$8.372
Weighted Gas, Cost (mix of Gas Supply & Storage Gas costs)	\$7.070/GJ	\$7.314/GJ	\$8.308/GJ	\$8.665/GJ	\$7.945
Rate per Cubic Metre	\$0.2672	\$0.2765	\$0.3140	\$0.3275	\$0.3003
⁵ Base Primary Rate, adding Fuel and Overhead cost component per cubic metre	\$0.2722	\$0.2819	\$0.3204	\$0.3342	\$0.3057
Plus (Less) PGVA Rider per cubic metre	\$0.0009	(\$0.0034)	(\$0.0120)	\$0.0045	(\$0.0039)
Total Billed Rate	\$0.2731/m ³	\$0.2785/m ³	\$0.3084/ m ³	\$0.3297	\$0.30.18

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 November 1, 2008 to October 31, 2009 from the price as of October 15, 2008.
2. Forecast on hedges placed for the next twelve months are accounted for with the projected gains or losses from hedging.
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 withdrawn (withdrawals commence November 1), and blended in on a weighted basis to arrive at a weighted gas cost.
4. Forecasted volumes of primary gas represented by the costs are used to determine the cost/1,000 m³, which is then increased to account for other costs. Rate changes by means of rate riders are established to adjust for Primary Gas PGVA balances accumulated and, projected to, October 31, over a 12-month period beginning November 1.
5. At August 1, 2008, fuel costs of \$0.005 per m³ and overhead costs components of \$0.0016 per m³.

Rate riders recover or repay, from or to customers, balances developing through differences that arise between billed rates and actual rates, with interest. The total accumulation of differences forecast for the PGVA to November 1, 2008 is \$4.4 million owing to customers, to be refunded to customers through a rider over the next twelve months.

Primary Gas Rates also reflect the cost of gas withdrawn from storage, having a cost of \$8.372/GJ for the 2008/09 withdrawal season, this an increase from \$6.319/GJ which was the average cost of gas in storage for the 2007/08 withdrawal season. At this cost, natural gas withdrawn from storage has an average cost above that of current strip prices.

With this Order, primary gas rates will be lower than those put in place as of August 1, 2008 through to February 1, 2009. As of the issue date of this Order, there were no indications of an imminent material change in prices, and, as the futures market currently suggests, a consumer may now expect pricing of primary gas close to the new level of November 1 through the full approaching winter.

The combined annualized bill impacts effective November 1, 2008 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 Impact using October 15, strip prices
SGS	(4.6)% - (5.9)%
LGS	(5.80 – (6.9)%
High Volume Firm	(6.7)% -(7.40)%
Mainline	(7.1)% - (7.6)%
Interruptible	(7.2)% -(7.8)%

The projected annualized net bill impact for a typical residential customer, based on average annual consumption of 2,590 m³, is a decrease of \$72 (5.4%) from August 1, 2008 rates. Year-over-year, November 1, 2008 as compared to November 1, 2007, the primary gas rate will increase by 9.5%.

4.0 Outstanding Positions, Hedging

As previously indicated, Centra enters into financial future contracts, “hedges”, for the purpose of reducing primary gas rate volatility. Other factors reducing bill volatility include the equal monthly payment plan, heating efficiency improvements, living style adjustments (adjusting the thermostat), and the Board’s RSM.

Centra’s hedging activities from 2001 until natural gas commodity prices plunged in 2006, the falloff in prices followed the price spike that developed after summer 2005 hurricanes Katrina and Rita, resulted in overall reductions to both gas costs and customer rates. Since then, however, and except for the quarter ending June 30, 2008, when commodity prices rose sharply, the results of hedging have increased overall gas costs. In Centra’s latest application, hedging activities are now projected to result in overall increases to both gas costs and customer rates.

The overall cost for Western Canadian natural gas reflected in Centra’s rates for those customers receiving primary gas from Centra is impacted by the terms of Centra’s gas purchase contract with its commodity supplier, Nexen, Centra’s hedging, future prices and the cost of gas in storage.

Hedging is undertaken independent of actual gas purchases, those always at then-current market prices. Actual results are dependent upon commodity market price changes and/or any special actions undertaken to unwind or build on current positions, though no such actions are expected.

The current situation with respect to hedges now outstanding is:

- On January 8 & 30, 2008, two tranches of price hedges of 50% of eligible volumes each were placed covering the months November 2008 through January 2009. The upper strike prices on the instruments purchased range from \$8.455/GJ to \$9.000/GJ, with the lower strike prices ranging from \$6.620/GJ to \$7.210/GJ.
- On April 16 & 25, 2008, two tranches of price hedges of 50% of eligible volumes each were placed covering the months February 2009 through April 2009. The upper strike prices on the

instruments purchased range from \$9.125/GJ to \$12.175/GJ, with the lower strike prices ranging from \$7.140/GJ to \$9.690/GJ.

- On July 2 & July 9, 2008 two tranches of price hedges of 50% of eligible volumes each were placed covering the months May 2009 through July 2009. The upper strike prices on the instruments purchased range from \$10.965/GJ to \$11.880/GJ, with the lower strike prices ranging from \$8.550/GJ to \$9.250/GJ.
- On October 7, 2008, one tranche of price hedges of 50% of eligible volumes each were placed covering the months August 2009 through October 2009. The upper strike prices on the instruments purchased range between \$8.320/GJ and \$8.445/GJ, with the corresponding lower strike prices ranging between \$6.490/GJ and \$6.690/GJ.

5.0 Board Findings

Approval

Centra's October 21, 2008 Application to decrease interim rates properly reflects the Board-approved RSM. Given the current global economic crisis and the sharp drop-off in commodity prices that has occurred, the Board concurs with the use of a more recent futures strip, that being of October 15, than the one taken during the first week of October. This will reduce consumer rates while being reflective of the most current market conditions.

Accordingly, the Board will approve Centra's proposal for reduced primary gas rates.

Primary gas rate changes affect only those customers receiving system gas (primary gas) from Centra. The next review of primary gas rates will take place as of February 1, 2008.

Notification

Centra is to advise primary gas customers of the change in primary gas rates through its newsletter, *Energy Matters*.

6.0 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, 2008, 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

"H. M. SINGH"

Acting Secretary

Certified a true copy of Order No. 147/08
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			Primary Gas Supply	Supplemental Gas Supply¹
			Sales Service	T-Service		
13						
14	Basic Monthly Charge: (\$/month)					
15	Small General Class (SGC)	N/A	\$13.00	N/A	N/A	N/A
16	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A
17	High Volume Firm Class (HVF)	N/A	\$1,040.53	\$1,040.53	N/A	N/A
18	Cooperative (Co-op)	N/A	\$300.23	\$300.23	N/A	N/A
19	Main Line Class (MLC)	N/A	\$1,495.21	\$1,495.21	N/A	N/A
20	Special Contract	N/A	N/A	\$129,231.70	N/A	N/A
21	Power Station	N/A	N/A	\$12,683.06	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.1915	\$0.1531	\$0.1531	N/A	N/A
25	Cooperative (Co-op)	\$0.3039	\$0.1316	\$0.1316	N/A	N/A
26	Main Line Class (MLC)	\$0.3667	\$0.1742	\$0.1742	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Stations	N/A	N/A	\$0.0153	N/A	N/A
29						
30	Volumetric Charge: (\$/m³)					
31	Small General Class (SGC)	\$0.0379	\$0.0885	N/A	\$0.3057	\$0.2686
32	Large General Class (LGC)	\$0.0374	\$0.0379	\$0.0379	\$0.3057	\$0.2686
33	High Volume Firm Class (HVF)	\$0.0169	\$0.0094	\$0.0094	\$0.3057	\$0.2686
34	Cooperative (Co-op)	\$0.0082	\$0.0001	\$0.0001	\$0.3057	\$0.2686
35	Main Line Class (MLC)	\$0.0084	\$0.0030	\$0.0030	\$0.3057	\$0.2686
36	Special Contract	N/A	N/A	\$0.0004	N/A	N/A
37	Power Station	N/A	N/A	\$0.0527	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 November 1, 2008.				

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		Distribution to Customers				
		Transportation to			Primary Gas	Supplemental Gas
		Centra	Sales Service	T-Service	Supply	Supply¹
7						
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,028.85	\$1,028.85	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,495.21	\$1,495.21	N/A	N/A
11						
12	Monthly Demand Charge (\$/m³/month)					
13	Interruptible Service	\$0.0984	\$0.0861	\$0.0861	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1514	\$0.1742	\$0.1742	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0127	\$0.0071	\$0.0071	\$0.3057	\$0.2686
18	Mainline Interruptible (with firm delivery)	\$0.0090	\$0.0030	\$0.0030	\$0.3057	\$0.2686
19						
20	Alternate Supply Service:					
21	Gas Supply (Interruptible Sales and Mainline Interruptible)				Negotiated Cost of Gas	
22	Delivery Service - Interruptible Class				\$0.0099	
23	Delivery Service - Mainline Interruptible Class				\$0.0087	
24						
25	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
26						
27	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
28						
29	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2008.				

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	Rates:	<u>Distribution to Customers</u>				
12		<u>Transportation</u>			<u>Primary</u>	<u>Supplemental</u>
13		<u>to</u>			<u>Gas</u>	<u>Gas</u>
14		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply</u>	<u>Supply</u> ¹
15	Basic Monthly Charge: (\$/month)					
16	Small General Class (SGC)	N/A	\$13.00	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$1,040.53	\$1,040.53	N/A	N/A
19	Cooperative (Co-op)	N/A	\$300.23	\$300.23	N/A	N/A
20	Main Line Class (MLC)	N/A	\$1,495.21	\$1,495.21	N/A	N/A
21	Special Contract	N/A	N/A	\$129,231.70	N/A	N/A
22	Power Station	N/A	N/A	\$12,683.06	N/A	N/A
23						
24	Monthly Demand Charge (\$/m³/month)					
25	High Volume Firm Class (HVF)	\$0.1915	\$0.1531	\$0.1531	N/A	N/A
26	Cooperative (Co-op)	\$0.3039	\$0.1316	\$0.1316	N/A	N/A
27	Main Line Class (MLC) (Firm)	\$0.3667	\$0.1742	\$0.1742	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A
29	Power Station	N/A	N/A	\$0.0153	N/A	N/A
30						
31	Commodity Volumetric Charge: (\$/m³)					
32	Small General Class (SGC)	\$0.0379	\$0.0885	N/A	\$0.3018	\$0.2686
33	Large General Class (LGC)	\$0.0374	\$0.0379	\$0.0379	\$0.3018	\$0.2686
34	High Volume Firm Class (HVF)	\$0.0169	\$0.0094	\$0.0094	\$0.3018	\$0.2686
35	Cooperative (Co-op)	\$0.0082	\$0.0001	\$0.0001	\$0.3018	\$0.2686
36	Main Line Class (MLC) (Firm)	\$0.0084	\$0.0030	\$0.0030	\$0.3018	\$0.2686
37	Special Contract	N/A	N/A	\$0.0004	N/A	N/A
38	Power Station	N/A	N/A	\$0.0527	N/A	N/A

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

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 November 1, 2008.

44

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:					
6			<u>Distribution to Customers</u>			
7		<u>Transportation</u>			<u>Primary</u>	<u>Supplemental</u>
8		<u>to</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Gas</u>	<u>Gas</u>
9		<u>Centra</u>			<u>Supply</u>	<u>Supply</u> ¹
10	Basic Monthly Charge: (\$/month)					
11	Interruptible Service	N/A	\$1,028.85	\$1,028.85	N/A	N/A
12	Mainline Interruptible (with firm delivery)	N/A	\$1,495.21	\$1,495.21	N/A	N/A
13	Monthly Demand Charge (\$/m³/month)					
14	Interruptible Service	\$0.0984	\$0.0861	\$0.0861	N/A	N/A
15	Mainline Interruptible (with firm delivery)	\$0.1514	\$0.1742	\$0.1742	N/A	N/A
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0127	\$0.0071	\$0.0071	\$0.3018	\$0.2686
18	Mainline Interruptible (with firm delivery)	\$0.0090	\$0.0030	\$0.0030	\$0.3018	\$0.2686
19						
20	Alternate Supply Service:			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery Service - Interruptible Class			\$0.0099		
23	Delivery Service - Mainline Interruptible Class			\$0.0087		
24						
25	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
26						
27	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
28						
29	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2008.				