

**MANITOBA** | **Order No. 57/05**  
**THE PUBLIC UTILITIES BOARD ACT** | **April 22, 2005**

Before: Graham F. J. Lane, C.A., Chairman  
Monica Girouard, C.G.A., Member  
Mario J. Santos, B.A., LL.B., Member

**AN APPLICATION BY CENTRA GAS MANITOBA INC. FOR AN  
INTERIM EX-PARTE ORDER APPROVING PRIMARY GAS SALES  
RATES EFFECTIVE FOR ALL NATURAL GAS CONSUMED ON  
AND AFTER MAY 1, 2005**

# Table of Contents

	<b>Page</b>
<b>1.0 Introduction.....</b>	<b>1</b>
<b>2.0 Background.....</b>	<b>2</b>
<b>3.0 The Application.....</b>	<b>4</b>
<b>4.0 Primary Gas Base Rates and Billed Rates .....</b>	<b>4</b>
<b>5.0 Board Findings .....</b>	<b>6</b>
<b>6.0 IT IS THEREFORE ORDERED THAT: .....</b>	<b>10</b>

## 1.0 Introduction

In accordance with established practice, Centra Gas Manitoba Inc. (“Centra”), a wholly-owned subsidiary of Manitoba Hydro, applied to the Board for interim ex parte approval of amended Primary Gas Rates and a Rate Rider, to be effective as of May 1, 2005 for the quarter ending July 31, 2005.

The overall Primary Gas billed rate for the quarter beginning May 1, 2005 would be \$0.2886/m<sup>3</sup> (current rate, \$0.2447), representing an increase of 17.9% over the Primary Gas billed rate for the prior quarter. However, as Primary Gas costs comprise only approximately two-thirds of total utility costs, the annualized increase to average customer bills arising out of cost increases for Primary Gas would be less than 17.9%.

The following table projects the range of increase expected for various customer classes:

<b>Customer Class</b>	<b>Increase</b>
SGS	10.4% to 11.8%
LGS	11.3% to 14.0%
HVF	13.3% to 15.6%
Co-op	12.6% to 12.8%
Mainline	15.0% to 16.2%
Interruptible	13.7% to 15.3%

The proposed increase in Primary Gas prices entirely results from recent increases in the market price of natural gas. Market prices for natural gas follow increases in oil prices, which have been very steep. Centra does not mark-up its commodity costs, but passes them through to consumers on an as incurred basis.

The Board notes that the average industrial weekly wage in Manitoba has increased by 11.7% from 1999 to 2004, while customers' gas bills have risen by approximately 64% over the same period.

Heating is a necessity in Manitoba, and the high cost of natural gas has likely had a significant impact on consumers, particularly families with fixed and/or low incomes. The Board encourages the improvement of the energy efficiency of consumer and commercial premises, and notes the increasingly effective efforts of Centra and its parent company Manitoba Hydro to provide advice and assistance to homeowners and businesses towards improving energy efficiency.

## **2.0 Background**

The five components of a natural gas bill for a customer of ("Centra") are:

- Primary Gas Rates;
- Supplemental Gas Rates;
- Transportation (to Centra) Rates,
- Distribution (to Customer) Rates; and
- Basic Monthly Charges.

This Board Order concerns Primary Gas Rates to be effective May 1, 2005, pursuant to the Board's approved Rate Setting Methodology ("RSM"). The RSM provides for Primary Gas Base Rates to be set quarterly on February 1, May 1, August 1 and November 1 of each year.

Price changes are made quarterly to reflect the updated 12-month forward market price for natural gas, with the forward price being weighted to take into account the cost of gas in Centra's storage. In addition to the Primary Gas Base Rate, a Primary Gas Rate Rider is attached to the rate concurrent with the Primary Gas Rate change.

The Rider distributes the projected Primary Gas Purchase Gas Variance Account (“PGVA”) balance as at the end of each quarter over customer bills for the next twelve months of normalized gas usage volumes, and can be either an additional charge or a reduction.

The current RSM process requires Centra to:

- (a) Base its applications for Primary Gas Rate changes on a twelve-month forward price strip exercised during the first week of the month preceding the commencement of the following gas quarter;
- (b) File its Applications on a timely basis; and
- (c) Issue a timely press release, and include a “bill stuffer” in its next billing to customers, communicating the price changes and the reasons therefore as set out by the Board.

Concurrent and future matters:

In addition to the quarterly Primary Gas Application that is the subject of this Board Order, Centra applied to the Board on December 9, 2004 for interim *exparte* approval of Supplemental Gas, Transportation (to Centra) and Distribution (to Customer) rates, effective February 1, 2005. The 2.5% increase sought by Centra for non-Primary Gas costs was granted by the Board on an interim basis, and incorporated with reductions in Primary Gas costs to provide reduced overall quarterly rates for the quarter that began on February 1, 2005.

That 2.5% increase for non-Primary Gas costs will be reviewed, among other things, at a General Rate Application public hearing which begins May 30, 2005 at the Board’s offices. The increase is expected to generate approximately \$3 million in incremental revenue for

Centra over the balance of the 2004/05 fiscal period, i.e. from February 1, 2005 through to and including March 31, 2005.

If the increase is made final at the May General Rate Application hearing, it will provide an additional \$12 million in revenue on an annual basis for and from Centra's 2005/06 fiscal year.

### **3.0 The Application**

On April 7, 2005, Centra applied to the Board for interim ex parte approval of Primary Gas Rates and a Rate Rider, to be effective as of May 1, 2005 for the quarter ending July 31, 2005. The Rate Rider would distribute the estimated PGVA balance as of April 30, 2005, in accordance with the approved RSM.

The requested rates were determined using the April 1, 2005 forward price strip, and, with the Board's approval, would remain in effect until the next quarterly rate change, that scheduled for August 1, 2005.

Upon the Board's approval, Centra will advise its customers of the rate changes arising out of this Order through its newsletter *Energy Matters*, and a Press Release.

### **4.0 Primary Gas Base Rates and Billed Rates**

Centra's overall Primary Gas billed rate for the quarter beginning February 1, 2005 was \$0.2447/m<sup>3</sup> as compared to the Primary Gas billed rate for the previous quarter of \$0.2661/m<sup>3</sup>. With the Board's approval of Centra's application, the Primary Gas billed rate for the quarter beginning May 1, 2005 would be \$0.2886. The price for Primary Gas fluctuates with market developments.

The following table summarizes the cost components determining Centra's proposed Primary Gas rates for the quarter commencing May 1, 2005, as compared to the previous quarter.

<b>Component</b>	<b>Existing Rates February 1, 2004</b>	<b>Requested Rates May 1, 2005</b>
Date of Forward Price Strip	January 3, 2005	April 1, 2005
12 Month Forward Price	\$6.207/GJ	\$8.6900/GJ
Estimated Price Management Impact	(\$0.454/GJ)	\$0.5558/GJ
Western Supply Price	\$6.661/GJ	\$8.1340/GJ
Storage Gas Price	\$6.521/GJ	\$6.5210/GJ
Weighed Gas Cost	\$6.637/GJ	\$7.8550/GJ
Rate per cubic metre	\$0.2509/m <sup>3</sup>	\$0.2969/m <sup>3</sup>
Base Primary Rate with fuel, O/H	\$0.25625/m <sup>3</sup>	\$0.30385/m <sup>3</sup>
PGVA Rider (\$/m <sup>3</sup> )	(\$0.0116/m <sup>3</sup> )	(\$0.01530/m <sup>3</sup> )
Total Billed Rate	\$0.24465/m <sup>3</sup>	\$0.28855/m <sup>3</sup>

Factors impacting on Primary Gas Rates include:

- (a) The western supply price (\$8.690/GJ) for Centra's gas supply contract with Nexen Marketing has increased substantially;
- (b) An estimated AECO/Empress basis differential of \$0.15/GJ from May 2005 to April 2006 is a factor in Primary Gas costs;
- (c) The Nova to AECO toll became \$0.1509/GJ effective January 1, 2005;
- (d) Estimated mark-to-market price management resulting a saving of \$0.5558/GJ, which arose as a result of Centra's placement of cashless collars with \$0.50 out of the money upper strike prices on volumes of approximately 24.0 million GJ. These transactions are carried out on a regular basis to mitigate price volatility; sometimes the effect is to reduce costs below day-to-day prices, in other circumstances the effect is to increase costs. In this case, the hedging resulted in the cost of gas to consumers being an estimated \$23.3 million less than otherwise would have been expected;
- (e) The cost of gas in storage at a projected cost of \$6.521/GJ is less than the current market price. The projected withdrawal from storage covers the period commencing November 1, 2004, and ending on March 31, 2005; and

- (f) The estimated April 30, 2005 Primary Gas PGVA is a credit balance of \$20.153 million. Under the methodology applied to arrive at quarterly Primary Gas costs, a rate rider of \$0.01530 per cubic metre is arrived at, a reducing factor in arriving at the total billed rate.

The following table projects the range of the increase to the annual natural gas bill of the various customer classes that relates to the proposed new Primary Gas rates.

<b>Customer Class</b>	<b>Increase</b>
SGS*	10.4% to 11.8%
LGS	11.3% to 14.0%
HVF	13.3% to 15.6%
Co-op	12.6% to 12.8%
Mainline	15.0% to 16.2%
Interruptible	13.7% to 15.3%

With the Board's approval of this Application, the average residential consumer would be expected to incur, if future developments do not result in a further change in Primary Gas rates prior to the start of the next heating season, an increase in annualized heating bills of 10.9%, or \$122. This projected average residential bill increase is entirely related to increased market natural gas prices.

## **5.0 Board Findings**

The Board finds Centra's proposal for a Primary Gas rate change to properly reflect the current commodity market price and circumstances, and consistent with the Board approved RSM. Accordingly, the Board will approve the requested changes in Primary Gas Base and Billed Rates, to be effective May 1, 2005.



The cost of storage gas, impacts of price management transactions, and the disposition of deferral account balances will be reviewed, among other things, by the Board at the Centra General Rate Application (“GRA”) public hearing, scheduled to commence May 30, 2005.

The following table illustrates the volatility of natural gas prices over the past five years, from the perspective of Centra’s average residential customer. Because the RSM considers factors other than commodity market prices, such as the cost of gas in storage and price-hedging impacts, volatility in rates are somewhat mitigated.

The table incorporates changes approved by the Board for non-Primary Gas from 1999 to the first quarter of 2005; as well as rates for the quarter beginning May 1, 2005.

<b>Date</b>	<b>Primary Gas Commodity Cost</b>	<b>Average Annual Bill</b>	<b>% change in Primary Commodity Cost</b>	<b>% Change in total Annual Bill</b>
December 1, 1999	\$3.003/GJ	\$ 758	Base	Base
August 1, 2000	5.187/GJ	878	72.7%	15.8%
November 1, 2000	5.894/GJ	975	13.6%	11.1%
February 1, 2001	9.251/GJ	1,225	57.0%	25.6%
June 1, 2001	6.429/GJ	1,299	(30.5%)	6.1%
August 1, 2001	4.614/GJ	1,095	(28.2%)	(15.7%)
November 1, 2001	4.168/GJ	1,020	(9.7%)	(6.9%)
February 1, 2002	4.028/GJ	999	(3.4%)	(2.0%)
May 1, 2002	5.094/GJ	1,088	26.5%	8.9%
August 1, 2002	4.759/GJ	1,022	(6.6%)	(6.0%)
November 1, 2002	5.024/GJ	1,041	5.6%	1.8%
February 1, 2003	5.860/GJ	1,155	16.6%	11.0%
May 1, 2003	5.928/GJ	1,149	1.2%	(0.5%)
August 1, 2003	5.857/GJ	1,091	(1.2%)	(5.1%)
November 1, 2003	6.003/GJ	1,110	2.5%	1.8%
February 1, 2004	6.148/GJ	1,121	2.4%	1.0%
May 1, 2004	6.413/GJ	1,153	4.3%	2.8%
August 1, 2004	6.683/GJ	1,179	4.2%	2.3%
November 1, 2004	7.032/GJ	1,152	5.2%	(2.3%)
February 1, 2005	6.637/GJ	1,121	(5.6%)	(2.7%)
May 1, 2005 (Note)	7.855/GJ	1,243	18.4%	10.9%

Note: With the quarter beginning May 1, 2005 and as applied retroactively, the estimated annual consumption for a typical residential customer has been reduced from 3,201 cubic meters to 2,803 cubic meters, to reflect the estimated effects arising from homeowner efforts to reduce consumption.

The Board is mindful of the significant increase in projected annual heating costs associated with the price changes for the quarter beginning May 1, 2005, and notes that market prices for natural gas follow increases in oil prices, which have been very steep. The Board notes that Centra does not mark-up the cost of its commodity costs.

The Board observes that average industrial weekly wages in Manitoba have increased by 11.7% from 1999 to 2004, while customers' gas bills have risen by 64% over the same

period. And, as heat is a necessity in Manitoba, the high cost of natural gas has likely had a significant impact on families with fixed and/or low incomes.

There has been a significant increase in the number of customers having difficulty paying gas bills, as well as an increasing number of customers, though relatively low as a percentage of Centra's customer base, where service has been disconnected for non-payment.

The Board observes that many of the customers experiencing difficulty with the higher natural gas prices live in homes with poor insulation and/or inefficient furnaces. This problem is exacerbated in certain rental properties where the landlord has not brought the energy efficiency of the premises to a more effective standard.

The Board notes the well-intended and increasingly effective efforts of Centra and its parent company Manitoba Hydro to provide advice and assistance to homeowners towards improving heating efficiency. The utility's *Neighbours Helping Neighbours* program, operating with the guidance of the Salvation Army, provides financial assistance to some customers through the generosity of others. The utility also works with delinquent customers to develop reasonable payment arrangements considering the ability to pay. Special efforts are extended to ensure that those who are unable to make payments are referred to other agencies that may be able to provide assistance.

The Board is aware of a number of demand side management/energy efficiency initiatives already in place, and encourages customers to take advantage of these. They include the W.I.S.E. program, a no-cost home checkup for seniors, and a Residential Loan program to finance measures directed towards reducing gas bills.

In order to assist their customers in managing their natural gas bills, Centra offers a budget program providing for equal payments throughout the year.

**6.0 IT IS THEREFORE ORDERED THAT:**

1. THE SCHEDULE OF RATES ATTACHED AS APPENDIX "A" INDICATING a Primary Gas Base Rate of \$0.3039/m<sup>3</sup> and a Primary Gas Billed Rate of \$0.2886/m<sup>3</sup> to be effective for all gas consumed on and after May 1, 2005, BE AND IS HEREBY APPROVED, on an interim ex-parte basis; and
2. This Interim ex-parte Order shall be in full force and effect until confirmed or otherwise dealt with by a future Order of the Board.

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, C.A."

Chairman

"H. M. SINGH"

Acting Secretary

Certified a true copy of Order No. 57/05 issued  
by The Public Utilities Board

\_\_\_\_\_  
Acting Secretary



April 22, 2005  
Order No 57/05  
Page 11

**CENTRA GAS MANITOBA INC.**  
**FIRM 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:**

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<sup>3</sup>.

6 HVF: For gas delivered through one meter at annual volumes greater than 680,000 m<sup>3</sup>.

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:**

	Transportation to Centra	Distribution to Customers		Primary Gas Supply	Supplemental Gas Supply <sup>1</sup>
		Sales Service	T-Service		
13					
14					
15	<b>Basic Monthly Charge: (\$/month)</b>				
16	Small General Class (SGC)	N/A	\$10.00	N/A	N/A
17	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A
18	High Volume Firm Class (HVF)	N/A	\$681.00	\$681.00	N/A
19	Cooperative (Co-op)	N/A	\$254.01	\$254.01	N/A
20	Main Line Class (MLC)	N/A	\$1,360.87	\$1,360.87	N/A
21	Special Contract	N/A	N/A	\$102,599.00	N/A
22	Power Station	N/A	N/A	\$11,912.92	N/A
23					
24	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>				
25	High Volume Firm Class (HVF)	\$0.2443	\$0.1898	\$0.1898	N/A
26	Cooperative (Co-op)	\$0.6751	\$0.1746	\$0.1746	N/A
27	Main Line Class (MLC)	\$0.4456	\$0.1465	\$0.1465	N/A
28	Special Contract	N/A	N/A	N/A	N/A
29	Power Stations	N/A	N/A	\$0.0381	N/A
30					
31	<b>Volumetric Charge: (\$/m<sup>3</sup>)</b>				
32	Small General Class (SGC)	\$0.0445	\$0.0810	N/A	\$0.3039
33	Large General Class (LGC)	\$0.0435	\$0.0321	\$0.0321	\$0.3039
34	High Volume Firm Class (HVF)	\$0.0192	\$0.0088	\$0.0088	\$0.3039
35	Cooperative (Co-op)	\$0.0087	\$0.0001	\$0.0001	\$0.3039
36	Main Line Class (MLC)	\$0.0072	\$0.0030	\$0.0030	\$0.3039
37	Special Contract	N/A	N/A	\$0.0003	N/A
38	Power Station	N/A	N/A	\$0.0028	N/A
39					

40 <sup>1</sup>Supplemental Gas is mandatory for all Customers except T-Service.

41

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

43

44 **Effective:** Rates to be charged for all billings based on gas consumed on and after May 1, 2005.

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

1	<b>Territory:</b>	Entire natural gas service area of Company, including all zones.				
2						
3	<b>Availability:</b>	For any Consumer at one location whose annual natural gas requirements equal or exceed 680,000m <sup>3</sup> 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	<b>Rates:</b>					
6			<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 Supply<sup>1</sup></u>
7						
8	<b>Basic Monthly Charge: (\$/month)</b>					
9	Interruptible Service	N/A	\$861.06	\$861.06	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,360.87	\$1,360.87	N/A	N/A
11						
12	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
13	Interruptible Service	\$0.1127	\$0.0945	\$0.0945	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1734	\$0.1465	\$0.1465	N/A	N/A
15						
16	<b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
17	Interruptible Service	\$0.0118	\$0.0059	\$0.0059	\$0.3039	\$0.2462
18	Mainline Interruptible (with firm delivery)	\$0.0077	\$0.0030	\$0.0030	\$0.3039	\$0.2462
19						
20	<b>Alternate Supply Service:</b>			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery Service - Interruptible Class			\$0.0080		
23	Delivery Service - Mainline Interruptible Class			\$0.0068		
24						
25	<sup>1</sup> Supplemental Gas is mandatory for all Customers except T-Service.					
26						
27	<b>Minimum Monthly Bill:</b>	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
28						
29	<b>Effective:</b>	Rates to be charged for all billings based on gas consumed on and after May 1, 2005.				



**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<sup>3</sup>.  
6 HVF: For gas delivered through one meter at annual volumes greater than 680,000 m<sup>3</sup>.  
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:**

	Transportation to Centra	Distribution to Customers		Primary Gas Supply	Supplemental Gas Supply <sup>1</sup>
		Sales Service	T-Service		
13					
14					
15 <b>Basic Monthly Charge: (\$/month)</b>					
16 Small General Class (SGC)	N/A	\$10.00	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	\$681.00	\$681.00	N/A	N/A
19 Cooperative (Co-op)	N/A	\$254.01	\$254.01	N/A	N/A
20 Main Line Class (MLC)	N/A	\$1,360.87	\$1,360.87	N/A	N/A
21 Special Contract	N/A	N/A	\$102,599.00	N/A	N/A
22 Power Station	N/A	N/A	\$11,912.92	N/A	N/A
23					
24 <b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
25 High Volume Firm Class (HVF)	\$0.2803	\$0.1903	\$0.1903	N/A	N/A
26 Cooperative (Co-op)	\$0.6751	\$0.1746	\$0.1746	N/A	N/A
27 Main Line Class (MLC) (Firm)	\$0.2975	\$0.1462	\$0.1462	N/A	N/A
28 Special Contract	N/A	N/A	N/A	N/A	N/A
29 Power Station	N/A	N/A	\$0.0373	N/A	N/A
30					
31 <b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
32 Small General Class (SGC)	\$0.0373	\$0.0746	N/A	\$0.2886	\$0.2861
33 Large General Class (LGC)	\$0.0389	\$0.0256	\$0.0327	\$0.2886	\$0.2861
34 High Volume Firm Class (HVF)	\$0.0073	\$0.0019	\$0.0090	\$0.2886	\$0.2861
35 Cooperative (Co-op)	\$0.0087	\$0.0001	\$0.0001	\$0.2886	\$0.2861
36 Main Line Class (MLC) (Firm)	\$0.0071	\$0.0032	\$0.0032	\$0.2886	\$0.2861
37 Main Line Class (MLC) (Firm)	N/A	N/A	N/A	N/A	(\$0.0070) <sup>2</sup>
38 Special Contract	N/A	N/A	\$0.0003	N/A	N/A
39 Power Station	N/A	N/A	\$0.0028	N/A	N/A
40					

41 <sup>1</sup> Supplemental Gas is mandatory for all Sales and Western T-Service Customers.

42 <sup>2</sup> Refunded over total annual volumes.

43  
44 **Minimum Monthly Bill:** Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.  
45

46 **Effective:** Rates to be charged for all billings based on gas consumed on and after May 1, 2005.

**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<sup>3</sup> 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

7

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

	Transportation to Centra	Distribution to Customers		Primary Gas Supply	Supplemental Gas Supply <sup>1</sup>
		Sales Service	T-Service		
9 Interruptible Service	N/A	\$861.06	\$861.06	N/A	N/A
10 Mainline Interruptible (with firm delivery)	N/A	\$1,360.87	\$1,360.87	N/A	N/A

11

12 **Monthly Demand Charge (\$/m<sup>3</sup>/month)**

13 Interruptible Service	\$0.1433	\$0.0948	\$0.0948	N/A	N/A
14 Mainline Interruptible (with firm delivery)	\$0.2040	\$0.1462	\$0.1462	N/A	N/A

15

16 **Commodity Volumetric Charge: (\$/m<sup>3</sup>)**

17 Interruptible Service	\$0.0060	\$0.0127	\$0.0066	\$0.2886	\$0.2462
18 Mainline Interruptible (with firm delivery)	\$0.0019	\$0.0093	\$0.0032	\$0.2886	\$0.2462

19

20 **Alternate Supply Service:**

21 Gas Supply (Interruptible Sales and Mainline Interruptible)	Negotiated
22 Delivery Service - Interruptible Class	Cost of Gas \$0.0087
23 Delivery Service - Mainline Interruptible Class	\$0.0071

24

25 <sup>1</sup>Supplemental Gas is mandatory for all Customers except T-Service.

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 May 1, 2005.