

MANITOBA) **Order No. 5/07**
)
THE PUBLIC UTILITIES BOARD ACT) **January 23, 2007**

BEFORE: Graham Lane, B.A., C.A., Chairman
Monica Girouard, C.G.A., Member
Alain Molgat, B.Comm., CMA, Member

**CENTRA GAS MANITOBA INC. PRIMARY
GAS RATES, EFFECTIVE FEBRUARY 1, 2007**

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves Centra Gas Manitoba Inc.'s (Centra) request to maintain existing primary gas rates as established November 1, 2006. The rates were then-set in accordance with the Board-approved Rate Setting Methodology (RSM), an agreed upon process that further less-cost regulation through deferring a public review of Centra's costs to the annual Cost of Gas hearing.

Centra initially filed an application for marginally amended interim primary gas rates, but, following its apprehension of a calculation error, Centra suggested rates remain as set on November 1, 2006. Centra noted that adjusting for the calculation error, and pursuant to the RSM, February 1, 2007 rates would not change for residential customers while varying only marginally for non-residential customers.

In this Order, the Board concurs with Centra's proposal; and will maintain the rates set as of November 1, 2006, this providing for reduced utility processing costs and the avoidance of potential customer confusion.

Current primary gas rates will remain in effect until April 30, 2007, when the next scheduled quarterly primary gas rate review is to take place. For Centra customers purchasing primary gas from brokers, billed rates are set through contractual arrangements.

2.0 Introduction

Centra, a subsidiary of Manitoba Hydro (MH), 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 the natural gas billings to customers are:

- Primary Gas Rates (either system gas from Centra 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 to varying degrees to all customers);
- Distribution (to Customer) Rates (applicable to all customers); and
- Basic Monthly Charge (BMC) (applicable to all customers).

This Order deals only with Primary Gas and has implications only for Centra customers purchasing primary gas from Centra rather than from private brokers.

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 a Board-approved RSM, which is formula-driven and relies on established accounting and rate setting conventions.

Non-primary gas components of Centra's rates, which affect 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 finalizes interim quarterly primary gas rate changes, or in the context of a General Rate Application (GRA).

Natural gas commodity market prices are largely determined by North American supply and demand circumstances. Significant market price volatility has been present, particularly since the hurricanes of August 2005.

Presently, natural gas market prices remain below the levels expected a year ago. The minor rate decreases that took effect November 1, 2006, continued for another quarter through this Board Order, arose primarily from a sharp decline in natural gas commodity prices that has been experienced from the peak levels of December 2005.

The market price decline has not resulted in significant primary gas rate decreases for Centra's system gas customers because of Centra's ongoing hedging activities (undertaken pursuant to policy implemented for the purpose of reducing rate volatility rather than commodity costs. The floor prices of hedges placed by Centra from the late fall of 2005 have limited the magnitude of the rate decreases that would have resulted in the absence of hedging. For several years prior to 2005/06, Centra's hedging activities reduced not only primary gas rates but also overall commodity costs.

The Board currently estimates that Centra will incur additional primary gas costs arising out of its hedging of approximately \$80 million for the fiscal year ending March 31, 2007. Currently, the Board forecasts an additional cost related to hedging of \$14.2 million for the 2007/08 fiscal year. Actual results are expected to vary from these projections.

Natural gas commodity costs represent approximately 75% of a system gas customer's bill. The following table illustrates changes in natural gas prices over the past seven years, since MH acquired Centra in 1999, from the perspective of a residential customer purchasing primary gas from Centra.

Date	Primary Gas Commodity Cost	% change in Primary Gas Cost	Average Annual Bill, including primary gas Costs	% Change in the Total Annual Bill
December 1, 1999	\$3.003/GJ	Base	\$ 758	Base
August 1, 2000	5.187/GJ	72.7%	878	15.8%
November 1, 2000	5.894/GJ	13.6%	975	11.1%
February 1, 2001	9.251/GJ	57.0%	1,225	25.6%
June 1, 2001	6.429/GJ	(30.5%)	1,299	6.1%
August 1, 2001	4.614/GJ	(28.2%)	1,095	(15.7%)
November 1, 2001	4.168/GJ	(9.7%)	1,020	(6.9%)
February 1, 2002	4.028/GJ	(3.4%)	999	(2.0%)
May 1, 2002	5.094/GJ	26.5%	1,088	8.9%
August 1, 2002	4.759/GJ	(6.6%)	1,022	(6.0%)
November 1, 2002	5.024/GJ	5.6%	1,041	1.8%
February 1, 2003	5.860/GJ	16.6%	1,155	11.0%
May 1, 2003	5.928/GJ	1.2%	1,149	(0.5%)
August 1, 2003	5.857/GJ	(1.2%)	1,091	(5.1%)
November 1, 2003	6.003/GJ	2.5%	1,110	1.8%
February 1, 2004	6.148/GJ	2.4%	1,121	1.0%
May 1, 2004	6.413/GJ	4.3%	1,153	2.8%
August 1, 2004	6.683/GJ	4.2%	1,179	2.3%
November 1, 2004	7.032/GJ	5.2%	1,152	(2.3%)
February 1, 2005	6.637/GJ	(5.6%)	1,121	(2.7%)
May 1, 2005	7.855/GJ	18.4%	1,243	10.9%
August 1, 2005	7.957/GJ	1.3%	1,276	2.7%
November 1, 2005	9.314/GJ	17.1%	1,356	6.3%
February 1, 2006	9.162/GJ	(1.6%)	1,359	0.2%
May 1, 2006	9.205/GJ	0.5%	1,369	0.7%
August 1, 2006	8.818/GJ	(4.2%)	1,273	(7.0%)
November 1, 2006	7.941/GJ	(9.9%)	1,260	(1.1%)
February 1, 2007	7.661/GJ	(3.5%)	1,260	0%

Note 1: 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 2,802 cubic meters, to reflect the estimated effects arising from homeowner efforts to reduce consumption. Also, November 1, 2005 and February 1, 2006 rates were affected by the Board's decision to defer one-half of the otherwise sharp rate increase pursuant to the RSM; in February 2006, when commodity prices had fallen, the RSM was restored

Note 2: Residential customers receiving primary gas from brokers rather than from Centra would likely not have the same cost and bill experience as Centra's customers, as their primary gas costs would be in accordance with their contracts with brokers, and fixed for three to five year periods at rates different than those charged by Centra.

Note 3: The above table incorporates changes approved by the Board for both non-Primary Gas and Primary Gas from 1999 through to February 1, 2007.

Note 4: 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 primary gas customers is reduced in overall effect as overall rates billed to system gas customers also take into account operating, amortization, administrative and financial costs.

3.0 Primary Gas Rates

BACKGROUND, PRIMARY GAS BASE AND BILLED RATES

Centra's corrected calculations pursuant to the RSM, determined February 1 primary gas customer billed rates identical to current rates with respect to residential customers, and virtually identical for non-residential customers.

Component	Costs and Rates, May 1, 2006	Costs and Rates, August 1, 2006	Costs and Rates, November 1, 2006	Costs and Proposed Rates, February 1, 2007
Date of Forward Price Strip	April 3, 2006	July 3, 2006	October 2, 2006	January 2, 2007
12 Month Forward Price	\$9.007/GJ +	\$8.113/GJ +	\$6.907/GJ	\$7.095/GJ
Costs resulting from Hedging	\$0.486/GJ =	\$0.908/GJ =	\$1.303/GJ	\$0.768/GJ
Forecast Gas Supply Price	\$9.493/GJ	\$9.021/GJ	\$8.210/GJ	\$7.863/GJ
Cost of Gas drawn from Storage	\$7.902/GJ	\$7.902/GJ	\$6.690/GJ	\$6.722/GJ
Weighted Gas, Cost (mix of Gas Supply & Storage Gas costs)	\$9.205/GJ	\$8.818/GJ	\$7.941/GJ	\$7.661/GJ
Rate per Cubic Metre	\$0.3479m ³	\$0.3333/m ³	\$0.2992	\$0.2896
Base Primary Rate, adding Fuel and Overhead cost component less	\$0.3553m ³	\$0.3401/m ³	\$0.3065	\$0.2961
Less: PGVA Rider	(\$0.0365/m ³) Residential, and (\$0.0499/m ³) Other	(\$0.04200/m ³) Residential, and (\$0.0555/m ³) Other	(\$0.0133/m ³) Residential, and (\$0.0275m ³) Other	(\$0.003/m ³) Residential, and (\$0.016m ³) Other
Total Billed Rate	\$0.3188/m ³ Residential, and \$0.3054/m ³ Other	\$0.2981/m ³ Residential, and \$0.2846/m ³ Other	\$0.2932/m ³ Residential, and \$0.2790m ³ Other	\$0.2932/m ³ Residential, and \$0.2790m ³ Other

Notes:

1. Primary gas rate reduction factors in 100% of the reduction between the current 12-month forward price for Western Canadian natural gas commodity supplies for the period November 1, 2006 to October 31, 2007 from the price as of August 1, 2006;
2. Forecast losses on hedges placed for the next twelve months are accounted for with the projected loss for hedging of \$50.9 million. The April 2006 to October 31, 2006 hedging impact is an estimated \$33.4 Million addition to gas costs;
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 in 2006/07 (withdrawals commence November 1, 2006), and blended in on a weighted basis to arrive at a weighted gas cost, which is forecast to be lower for the November 1 to October 31, 2007 gas year;
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; and Rate reductions by means of rate riders are established to return to customers Primary Gas PGVA balances accumulated and, projected to, October 31, 2006, over a 12-month period beginning November 1, 2006; of \$4.46 million and \$12.38 million, owing to residential and non-residential customers respectively. An additional amount of \$3.54M is also to be refunded to all customers. This resulting in credit rate riders of \$0.0133/ m³ and \$0.0275/ m³, residential and non-residential respectively).

Rate riders take into account the balances remaining to be recovered through rates from customers arising out of rate riders previously established. The total accumulation forecast for the Primary Gas Purchase Gas Variance Account (PGVA) during the period May 1, 2006 to January 31, 2007 is \$10.2 million, to be recovered from customers. Additionally, amounts of

\$2.0 million and \$5.4 million in the residential and non-residential PGVAs respectively are being credited to these customers through monthly credits, the full recovery is expected to be complete by April 30, 2007. Adjustments with respect to residential customers are different from non-residential customers, this due to differences in rates experienced by each class from November 2005 to April 2006.

Through the combination of factors as set out above, Centra's calculations derived February 1, 2007 primary gas billed rates of \$0.2931/m³ and \$0.2801/m³, for residential and non-residential customers respectively. The derived residential rate of \$0.2931/m³ is identical to the current residential rate set as of November 1, 2006. As the derived non-residential rate, \$0.2801/m³, was virtually identical to the current rate established November 1, 2006 of \$0.2790/m³, Centra proposed that non-residential rates also be left unchanged.

Although primary gas rates will not change through April 30, 2007, weather conditions, changes made by owners to property heating efficiency, or one or more of a number of other factors (such as turning down the thermostat, lengthy holidays by residents, etc.) may result in increased or decreased monthly bills notwithstanding no rate change.

4.0 Outstanding Positions, Hedging

As previously indicated, Centra enters into financial future contracts, "hedges", for the purpose of reducing the volatility of primary gas rates for system gas customers. Other factors reducing cost and rate volatility include the equal monthly payment plan, heating efficiency improvements, living style adjustments (adjusting the thermostat) and the Board's RSM. And, as previously indicated, until 2006, when the commodity price "tide turned", Centra's hedging activities from 2001 resulted in an overall reduction to gas costs and rates.

The overall cost for Western Canadian natural gas reflected in Centra's rates to customers receiving primary gas from Centra is impacted by:

- a) the terms of Centra's gas purchase contract with its commodity supplier, Nexen; and
- b) hedging.

Hedging is undertaken independent of actual gas purchases, those being at then-current market prices. As indicated, hedging results since April 2006 have added to the cost of gas rather than reduced it. Projections of hedging results from April 2006 through to October 2007 suggest a total addition to primary gas costs of approximately \$94 million. Actual results associated with outstanding hedges will not be known until the future and are dependent upon commodity market price changes and Centra actions with respect to outstanding positions.

Hedges outstanding for the months of February to October 2007 are:

- On April 10, 2006, a tranche of 50% of eligible volumes was placed covering the months of February through April 2007. These instruments were +\$.50 out-of-the-money cashless collars. The upper strike prices on these collars ranged from \$8.83/GJ to \$10.25/GJ. The lower strike prices ranged from \$8.00/GJ to \$9.52/GJ.
- On July 26 and 27, 2006, two tranches of price hedges of 50% of eligible volumes each were placed covering the months of May through July 2007. These instruments were +\$.50 out-of-the-money cashless collars. The collars' upper strike prices ranged from \$8.205/GJ to \$8.45/GJ. The lower strike prices ranged from \$7.37/GJ to \$7.66/GJ.
- On September 19, 2006, a second tranche of 50% of eligible volumes was placed covering the months of February through April 2007. These instruments were also +\$.50 out-of-the-money cashless collars. The upper strike prices on these collars ranged from \$7.47/GJ to \$8.19/GJ. The lower strike prices ranged from \$6.68/GJ to \$7.415/GJ.
- On October 11 and 25, 2006, two tranches of price hedges of 50% of eligible volumes each were placed covering the months of August through October 2007. These instruments were +\$.50 out-of-the-money cashless collars. The collars' upper strike prices ranged from \$7.98/GJ to \$8.28/GJ. The lower strike prices ranged from \$7.17/GJ to \$7.48/GJ.

Future prices at the date of Centra's application are projected to break through the price floors on all of the instruments in place.

5.0 Board Findings

Approval

The Board will approve Centra's proposal for no changes to interim primary natural gas rates for system gas customers. The next review will take place as of May 1, 2007. Centra's proposal to maintain interim rates properly reflects the "spirit" of the Board-approved RSM; the calculated minor changes to the derived non-residential rates do not warrant adjustment, which, if made, would result in processing and administrative costs and prove of no tangible benefit to Centra's customers.

As previously indicated, primary gas rates affect only those customers receiving system gas (primary gas) from Centra. The total billed rate for primary gas supply to system gas customers for the three months ending April 30, 2007 will remain \$0.2932/m³ and \$0.2790/m³, for residential and non-residential customers, respectively.

Notification

Through its newsletter, *Energy Matters*, Centra is to advise its primary gas customers that primary gas rates will not change until, at the earliest, May 1, 2007.

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 February 1, 2007, being unchanged from the rates set as of November 1, 2006, 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 F. J. LANE, B.A., C.A."
Chairman

"GERRY GAUDREAU, CMA"
Secretary

Certified a true copy of Order No.
5/07 issued by The Public Utilities
Board

Secretary

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 m³.
6 HVF: For gas delivered through one meter at annual volumes greater than 680,000 m³.
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 ¹	
		Sales Service	T-Service	Residential	Non-Residential		
13							
14							
15	Basic Monthly Charge: (\$/month)						
16	Small General Class (SGC)	N/A	\$10.00	N/A	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$883.42	\$883.42	N/A	N/A	N/A
19	Cooperative (Co-op)	N/A	\$307.21	\$307.21	N/A	N/A	N/A
20	Main Line Class (MLC)	N/A	\$1,589.47	\$1,589.47	N/A	N/A	N/A
21	Special Contract	N/A	N/A	\$106,090.27	N/A	N/A	N/A
22	Power Station	N/A	N/A	\$14,220.45	N/A	N/A	N/A
23							
24	Monthly Demand Charge (\$/m³/month)						
25	High Volume Firm Class (HVF)	\$0.1857	\$0.1287	\$0.1287	N/A	N/A	N/A
26	Cooperative (Co-op)	\$0.2955	\$0.1216	\$0.1216	N/A	N/A	N/A
27	Main Line Class (MLC)	\$0.3142	\$0.1349	\$0.1349	N/A	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A	N/A
29	Power Stations	N/A	N/A	\$0.0276	N/A	N/A	N/A
30							
31	Volumetric Charge: (\$/m³)						
32	Small General Class (SGC)	\$0.0385	\$0.0834	N/A	\$0.3065	\$0.3065	\$0.2669
33	Large General Class (LGC)	\$0.0379	\$0.0334	\$0.0334	\$0.3065	\$0.3065	\$0.2669
34	High Volume Firm Class (HVF)	\$0.0175	\$0.0100	\$0.0100	\$0.3065	\$0.3065	\$0.2669
35	Cooperative (Co-op)	\$0.0081	\$0.0001	\$0.0001	\$0.3065	\$0.3065	\$0.2669
36	Main Line Class (MLC)	\$0.0085	\$0.0036	\$0.0036	\$0.3065	\$0.3065	\$0.2669
37	Special Contract	N/A	N/A	\$0.0005	N/A	N/A	N/A
38	Power Station	N/A	N/A	\$0.0064	N/A	N/A	N/A
39							

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

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

44 **Effective:** Rates to be charged for all billings based on gas consumed on and after November 1, 2006.

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 680,000m³ 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

	Transportation to Centra	Distribution to Customers		Primary Gas Supply		Supplemental Gas Supply ¹
		Sales Service	T-Service	Residential	Non- Residential	
7						
8 Basic Monthly Charge: (\$/month)						
9 Interruptible Service	N/A	\$942.77	\$942.77	N/A	N/A	N/A
10 Mainline Interruptible (with firm delivery)	N/A	\$1,589.47	\$1,589.47	N/A	N/A	N/A
11						
12 Monthly Demand Charge (\$/m³/month)						
13 Interruptible Service	\$0.0894	\$0.0702	\$0.0702	N/A	N/A	N/A
14 Mainline Interruptible (with firm delivery)	\$0.1376	\$0.1349	\$0.1349	N/A	N/A	N/A
15						
16 Commodity Volumetric Charge: (\$/m³)						
17 Interruptible Service	\$0.0124	\$0.0073	\$0.0073	\$0.3065	\$0.3065	\$0.2628
18 Mainline Interruptible (with firm delivery)	\$0.0090	\$0.0036	\$0.0036	\$0.3065	\$0.3065	\$0.2628
19						
20 Alternate Supply Service:			Negotiated			
21 Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas			
22 Delivery Service - Interruptible Class			\$0.0096			
23 Delivery Service - Mainline Interruptible Class			\$0.0080			
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, 2006.

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.
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5 LGC: For gas delivered through one meter at annual volumes less than 680,000 m³.
6 HVF: For gas delivered through one meter at annual volumes greater than 680,000 m³.
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 ¹	
		Sales Service	T-Service	Residential	Non-Residential		
13							
14							
15	Basic Monthly Charge: (\$/month)						
16	Small General Class (SGC)	N/A	\$10.00	N/A	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$883.42	\$883.42	N/A	N/A	N/A
19	Cooperative (Co-op)	N/A	\$307.21	\$307.21	N/A	N/A	N/A
20	Main Line Class (MLC)	N/A	\$1,589.47	\$1,589.47	N/A	N/A	N/A
21	Special Contract	N/A	N/A	\$106,090.27	N/A	N/A	N/A
22	Power Station	N/A	N/A	\$14,220.45	N/A	N/A	N/A
23							
24	Monthly Demand Charge (\$/m³/month)						
25	High Volume Firm Class (HVF)	\$0.2239	\$0.1289	\$0.1289	N/A	N/A	N/A
26	Cooperative (Co-op)	\$0.2955	\$0.1216	\$0.1216	N/A	N/A	N/A
27	Main Line Class (MLC) (Firm)	\$0.2256	\$0.1352	\$0.1352	N/A	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A	N/A
29	Power Station	N/A	N/A	\$0.0274	N/A	N/A	N/A
30							
31	Commodity Volumetric Charge: (\$/m³)						
32	Small General Class (SGC)	\$0.0357	\$0.0783	N/A	\$0.2932	\$0.2790	\$0.2669
33	Large General Class (LGC)	\$0.0362	\$0.0281	\$0.0333	\$0.2932	\$0.2790	\$0.2669
34	High Volume Firm Class (HVF)	\$0.0102	\$0.0045	\$0.0097	\$0.2932	\$0.2790	\$0.2669
35	Cooperative (Co-op)	\$0.0081	\$0.0002	\$0.0002	\$0.2932	\$0.2790	\$0.2669
36	Main Line Class (MLC) (Firm)	\$0.0077	\$0.0038	\$0.0038	\$0.2932	\$0.2790	\$0.2669
37	Main Line Class (MLC) (Firm)	N/A	N/A	N/A	N/A	N/A	(\$0.0052) ²
38	Special Contract	N/A	N/A	\$0.0005	N/A	N/A	N/A
39	Power Station	N/A	N/A	\$0.0116	N/A	N/A	N/A
40							

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

42 ² Supplemental Gas Refund Rider; 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 November 1, 2006.

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			Distribution to Customers		Primary Gas Supply		
7		Transportation to Centra	Sales Service	T-Service	Residential	Non-Residential	Supplemental Gas Supply¹
8	Basic Monthly Charge: (\$/month)						
9	Interruptible Service	N/A	\$942.77	\$942.77	N/A	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,589.47	\$1,589.47	N/A	N/A	N/A
11							
12	Monthly Demand Charge (\$/m³/month)						
13	Interruptible Service	\$0.1005	\$0.0704	\$0.0704	N/A	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1377	\$0.1352	\$0.1352	N/A	N/A	N/A
15							
16	Commodity Volumetric Charge: (\$/m³)						
17	Interruptible Service	\$0.0082	\$0.0070	\$0.0070	\$0.2932	\$0.2790	\$0.2628
18	Interruptible Service						(\$0.0102) ²
19	Mainline Interruptible (with firm delivery)	\$0.0048	\$0.0038	\$0.0038	\$0.2932	\$0.2790	\$0.2628
20	Mainline Interruptible (with firm delivery)	N/A	N/A	N/A	N/A	N/A	(\$0.0052) ²
21							
22	Alternate Supply Service:			Negotiated			
23	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas			
24	Delivery Service - Interruptible Class			\$0.0093			
25	Delivery Service - Mainline Interruptible Class			\$0.0082			
26							
27	¹	Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
28	²	Supplemental Gas Refund Rider; refunded over total annual volumes					
29							
30	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.					
31							
32	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2006.					