



News Release

September 16, 2009

By Board Order 128/09, the second order to arise out of the spring/summer proceeding with respect to Centra Gas Manitoba Inc.'s (Centra) General Rate Application, the Public Utilities Board (Board or PUB):

- a) Determines there will be no changes to Centra's non-Primary gas rates for the rest of 2009 and for the calendar year 2010, assuming no unexpected developments requiring PUB to reconsider its decisions;
- b) Directs May 1, 2010 increases to the basic monthly charges (BMC) for Centra's SGS and LGS classes (approximately \$1/ month for residential and \$7/ month for most commercial accounts, excepting for very large volume customers); and
- c) Forecasts that Primary gas rates, which are revised quarterly for "system gas" customers (customers not obtaining Primary gas for a fixed price and term from either Centra or a marketer), will, in the absence of an unexpected restriction on supply, drift lower on the next three quarterly rate settings slated for November 1, 2009, February 1, 2010 and May 1, 2010.

As well, PUB urges Centra to move more aggressively with respect to both its lower-income furnace replacement program and its fixed price and term Primary gas contract offerings.

Customers are continued to be encouraged to avail themselves of the Manitoba Hydro's energy efficiency programs, which include special programs for lower-income customers, now further assisted by time-limited federal government incentive and tax credit programming.

Petroleum prices including natural gas remain volatile, and current natural gas prices remain considerably lower than previously expected. With Centra's hedging of future natural gas purchases, much of the decrease that has occurred in natural gas prices over the last year has not benefited system gas customers. Centra has adjusted to the situation and reduced its hedging to 50% of prior levels, a move supported by PUB. Given current economic conditions that have resulted in demand reductions, and with new natural gas supplies coming on the North American market, PUB does not expect, in the absence of an unexpected restriction in supply, natural gas commodity prices to increase substantially beyond current futures prices over the next year.

A copy of the Order, which contains significant additional information, may be reviewed on the Board's website www.pub.gov.mb.ca, or be obtained through the Board's Office.

The Public Utilities Board
400 – 330 Portage Avenue
Winnipeg, MB R3C 0C4
Telephone: (204) 945-2638
Facsimile: (204) 945-2643
Toll Free: 1-866-854-3698
Email: publicutilities@gov.mb.ca