

**MANITOBA**

**THE PUBLIC UTILITIES BOARD ACT**

**Order No. 188/02**

**November 5, 2002**

Before: G. D. Forrest, Chairman  
M. Girouard, Member  
Mario Santos, Member

**AN APPLICATION BY CENTRA GAS MANITOBA INC. FOR AN INTERIM  
ORDER APPROVING PRIMARY GAS SALES RATES TO BE EFFECTIVE FOR  
ALL GAS CONSUMED ON AND AFTER NOVEMBER 1, 2002**

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## **1.0 Background**

The approved Rate Setting Methodology (“RSM”) to determine Primary Gas rates is as follows:

1. Primary Gas Base Rates are adjusted quarterly on February 1, May 1, August 1 and November 1 to reflect 100% of the difference between the updated 12-month forward price for natural gas (weighted for the cost of gas in storage) and the Primary Gas Rate set in the prior quarter.
2. In addition to the Primary Gas Base Rate, a Primary Gas Rate Rider to be effective on the date of the Primary Gas Rate change, is to dispose of the estimated Primary Gas Purchase Gas Variance Account (“PGVA”) balance at the end of the quarter over the next 12 months normalized volumes.

The approved quarterly RSM requires Centra to file its application during the first week of the month prior to the commencement of each gas quarter and to provide public notice during the second week of the month. The Board may conduct either a “paper hearing” or hold an oral hearing in respect of the application, and is requested to approve the rates prior to the commencement of each gas quarter.

The Board last approved interim Primary Gas sales rates using the revised RSM to be effective August 1, 2002 in Order 136/02, dated July 31, 2002. The approved Primary Gas base rate was \$0.1842 per cubic metre. The approved Primary Gas billed rate which included a Primary Gas PGVA rate rider of (\$0.0047) per cubic metre was \$0.1795 per cubic metre. A Primary Gas Deferral Account (“PGDA”) rate rider of \$0.0363 per cubic metre, implemented pursuant to Order 99/01, dated June 15, 2001 became effective on August 1, 2001 and was to remain in effect for 24

months. Thus the total billed Primary Gas Rate effective August 1, 2002 was \$0.2158 per cubic metre.

## **2.0 The Application**

On September 20, 2002, Centra applied to the Board for approval of the continuation of the approved interim Primary Gas sales rates to be effective November 1, 2002 and to remain in effect until a further Order of the Board, pursuant to Order 99/01.

Because the September 30, 2002 application did not request any rate increase, the Board required Centra to up-date the application on October 15, 2002 instead of 10 days prior to the effective date of the rate change, as required by the RSM. The Board took this action in order to inform the public in advance of the implementation of new rates, if prevailing market circumstances at that time dictated that rate changes were necessary. Centra complied and on October 15, 2002 filed new proposed rates and customer impacts flowing from these rates based on the October 10, 2002 close updated forward price strip.

A public notice outlining this application, published in various newspapers commencing on October 26, 2002, invited any interested parties to make comments respecting this application to the Board by October 31, 2002. Comments were received from Robert Parker, Deborah and Ronald Skrabek and The Consumers' Association of Canada (Manitoba) Inc. and the Manitoba Society of Seniors ("CAC/MSOS").

## **3.0 Impact on Rates**

The 12-month forward price for Centra's Western Canadian supply as at September 3, 2002 from November 1, 2002 to October 31, 2003 was \$5.029/GJ. This price

reflected all aspects of current gas supply contractual arrangements with TransCanada Energy Services (“TCE/Mirant”). The Term Factor, pursuant to the TCE/Mirant Contract is 0.5% from November 1, 2002 to October 31, 2003. The forecast Nova AECO to Empress toll, approved by the NEB, of \$0.1555/Gj remained unchanged from the previous application. The AECO/Empress basis differential also reflected the most recent approved tolls which are \$0.1700 from November 2002 through to March 2003, and \$0.1500 per Gj for April to October 2003.

Since January 23, 2002, Centra placed price hedges as shown below on volumes of approximately 24.5 million Gj, resulting in an estimated unit cost impact (decrease) on total annual volumes of (\$0.031) per Gj.

<b>Date</b>	Jan23/01	April 18/02	May 29/02	July 17/02
<b>Type</b>	Collar	Collar	Collar	Collar
<b>Months</b>	Nov 02-Jan 03	Feb 02-Apr 03	Nov 02-Apr 03	May 03-July 03
<b>Volumes</b>	4,820,000	4,760,000	7,720,000	7,080,000
<b>Transaction Cost</b>	\$0	\$0	\$0	\$0
<b>System Hedge</b>	(\$1,869,400)	\$45,000	\$580,400	\$0
<b>Buy/Sell Hedge</b>	(\$232,525)	\$5,625	\$71,696	\$0
<b>Total Impacts</b>	(\$2,101,935)	\$50,625	\$652,096	\$0
<b>Cumulative Impact</b>	(\$2,101,935)	(\$2,051,310)	(\$1,399,214)	(\$1,399,214)

Centra submitted that the purpose of the hedges was to provide some measure of price volatility protection to consumers against price increases. Buy/Sell volume impacts are calculated based on estimated monthly ratios of system supplied volumes to Buy/Sell volumes.

After applying the impacts of price management activities on relevant volumes, the price for Western Canadian Supply, weighted for storage, would be \$4.834/Gj,

(\$0.1827 per cubic metre) which is \$0.075/Gj (1.58%) higher than the weighted average cost of Primary Gas of \$4.759/Gj currently embedded in rates. After applying the 100% factor and adding forecast fuel costs of \$0.0033 per cubic metre, and gas overhead costs of \$0.0005 per cubic metre, the proposed Primary Gas Base Rate would be \$0.1865 per cubic metre. The existing base Primary Gas Rate is \$0.1842 per cubic metre.

In addition to the Primary Gas Base Rate change related to the cost of Western Canadian gas, Centra requested approval of a rate rider to refund the estimated Primary Gas PGVA balance at October 31, 2002 of \$8,722,606 owing to Centra's customers. Centra calculated the unit PGVA rate rider to be a decrease of (\$0.0063) per cubic metre based on estimated normalized volumes for system and Buy/Sell supply. Thus, the proposed November 1, 2002 billed Primary Gas Rate including the PDGA rate rider of \$0.0363 per cubic metre, is \$0.2165 per cubic metre, compared to the existing billed rate of \$0.2158 per cubic metre. This would represent an increase of 0.32%.

#### **4.0 Updated Information**

Centra filed an updated forward price strip with the Board on October 15, 2002 with supporting documentation and a Schedule of Rates to reflect the updates. The price strip for the period from November 1, 2002 to October 31, 2003, based on closing prices at October 10, 2002, without incorporating revised hedging impacts, is \$5.330/Gj compared to the \$5.029/Gj contained in the September 20, 2002 application. Nova Tolls remained unchanged, while the AECO/Empress differentials for the months of August to October 2002 changed to \$0.1600/Gj for November, 2002, \$0.1700 from December, 2002 to April, 2003 and to \$0.1863/Gj, reflecting revised actual and forecast unit prices.

Centra revised the gas costs from those reported in the initial application as a result of hedging transactions based on the updated price strips, as shown below.

<b>Date</b>	Jan23/01	April 18/02	May 29/02	July 17/02
<b>Type</b>	Collar	Collar	Collar	Collar
<b>Months</b>	Nov 02-Jan 03	Feb 02-Apr 03	Nov 02-Apr 03	May 03-July 03
<b>Volumes</b>	4,820,000	4,760,000	7,720,000	7,080,000
<b>Transaction Cost</b>	\$0	\$0	\$0	\$0
<b>System Hedge</b>	(\$4,147,880)	\$0	\$0	\$0
<b>Buy/Sell Hedge</b>	(\$514,914)	\$0	\$0	\$0
<b>Total Impacts</b>	(\$4,662,794)	\$0	\$0	\$0
<b>Cumulative Impact</b>	(\$4,662,794)	(\$4,662,794)	(\$4,662,794)	(\$4,662,794)

Centra estimated the impact of the above transactions to be a decrease of (\$0.1050/Gj).

Using the 100% inclusion rate, and fuel, overhead and storage gas costs would result in a Primary Gas base rate of \$0.1939 per cubic metre, compared to the \$0.1865 per cubic metre included in the September filing and the \$0.1842 in the existing base rate.

Centra's unit rate riders for the Primary Gas PGVA and PGDR remain unchanged from the June 14 application. Thus, the applied for November 1, 2002 billed Primary Gas Rate using the updated application is \$0.2239 per cubic metre, compared to \$0.2165 included in the September application and \$0.2158 per cubic metre in current rates.

The following table details the changes to annual natural gas bills of different customer classes that result when the October 10, 2002 forward price curves are

incorporated into the rates. These impacts are based on the existing August 1, 2002 rates for Primary Gas, Supplemental Gas, Transportation and Distribution.

**ANNUALIZED AS BILLED CUSTOMER IMPACTS - REVISED APPLICATION**

<b>Customer Class</b>	<b>Bill Increases</b>
<b>SGS</b>	<b>2.1% to 2.3%</b>
<b>LGS</b>	<b>2.2% to 2.8%</b>
<b>HVF</b>	<b>2.7% to 3.0%</b>
<b>Mainline</b>	<b>2.9% to 3.2%</b>
<b>Interruptible</b>	<b>3.1% to 3.3%</b>

**5.0 Presenters' Positions**

**5.1 Robert Parker**

Mr. Parker, in a letter submitted to Manitoba Hydro and copied to the Board, requested that he be provided with evidence that Centra was being charged the \$0.187 per cubic metre for gas purchased from Alberta, before natural gas bills be allowed to increase. He also stated that the time allowed for a proper review of this matter was too short. He requested that he be provided with a copy of the Board's "permission to make this requested increase and further state why it is appropriate to make such an increase on such short leave."

Mr. Parker also requested an explanation as to why Manitoba Hydro was applying for approval from the Board when "...you are well aware that the organization does not regulate natural gas marketer's Primary Gas Rates, if still true."



## **5.2 Deborah and Ronald Skrabek**

In a letter to the Board Mr. and Mrs. Skrabek strongly objected to the proposed rate increase. They stated that despite several energy saving efforts undertaken by them, paying for increased energy bills was inflicting significant economic hardship.

## **5.3 CAC/MSOS**

Counsel for CAC/MSOS stated that in general CAC/MSOS was not opposed to the rate change sought by Centra as the rate is calculated properly in accordance with the approved RSM.

CAC/MSOS commented on several aspects of the approved RSM. CAC/MSOS indicated that the rates approved by the Board are normally based on the most recent forward price strips, and had two concerns with the approach. Firstly, CAC/MSOS is of the view that the Board approves rates without evidence and secondly that the Public Notice process is flawed.

CAC/MSOS also requested that the next Primary Gas Application should include a discussion on the cost effectiveness of managing Centra's storage facilities. This discussion should also consider the use of TCPL's spare capacity, and suggesting that there may be other alternatives to obtaining cost effective short -term firm and interruptible service to Manitoba

## **6.0 Board Findings**

### **6.1 Rate Setting Methodology (RSM)**

Following a comprehensive review at a public hearing with input from many stakeholders in the natural gas industry in Manitoba, the Board, in Order No. 55/00 dated April 17, 2000 as revised by Order No. 99/01 dated July 15, 2001 adopted a RSM to deal with daily changing market prices.

In the Board's opinion the RSM then and today allows the Board to consider such market changes in an orderly manner with the needed input from the ratepayers of Manitoba. While the timeframe to consider such changes is narrow, in the Board's opinion it reflected a proper balance between a process for public input and price transparency in the market place. It also allowed the Board a process to fully discharge its responsibility for approving the rates charged by Centra.

### **6.2 Gas Storage Arrangement**

The Board noted the comments of CAC/MSOS in this regard and further, noted that their concerns should be considered by Centra in their Blank Page Analysis of storage and excess pipeline capacity due to be filed with the Board in early 2003. These are not matters for the RSM which considers changes in market prices only.

### **6.3 Application**

The Board will render its decision on the Application using the "paper hearing" process to establish interim November 1, 2002 Primary Gas rates, using the most recent market information which is the October 10, 2002 forward price strip. In the

view of the Board this approach will strike a reasonable balance between market responsiveness, price transparency and rate volatility.

In considering this Application, the Board noted that initially Centra's Application for no rate change was supported by market prices at that time. Noting that the RSM provided for an update to be filed 10 days prior to a quarterly rate change and noting that Notice is not usually provided for the update as referred to above, the Board requested Centra to file the update approximately 15 days before the commencement of the next quarter to allow time for publication of notice. The Board recognizes this was an unusual circumstance but believes that the public interest was well served by that decision.

In all other respects, Centra's application is consistent with the RSM and after analysis by the Board and with input from the interested parties, the Board will approve the Application for revised rates.

The Board noted that some of the presentations dealt with matters previously considered by the Board in the RSM review process and commented on above and to assist them further provides the following:

1. The price that Centra pays for natural gas is in accordance with the pricing mechanisms contained in its long-term supply contract, which was extensively reviewed by the Board in 2000. The basis of the price is the daily published index price at AECO – C NIT, in Alberta. Additionally gas costs can and usually are impacted by Centra's price hedging activities that are also reviewed by the Board.
2. Natural gas prices are determined in a competitive marketplace over which Centra has no control. Centra makes no profit on the commodity cost of gas

but because of market characteristics is required to reflect such changes in its rates. In this regard the following table reflects historic market fluctuations including all November 1, 2002 rate changes:

<b>Date</b>	<b>Commodity Cost</b>	<b>Average annual bill</b>	<b>% change in bill</b>
December, 1999	\$3.003/Gj	\$ 856	Base
August 1, 2000	\$5.187/Gj	\$ 993	16.1%
November 1, 2000	\$5.894/Gj	\$ 1,123	12.6 %
February 1, 2001	\$9.251/Gj	\$ 1,381	23.0%
August 1, 2001	\$4.614/Gj	\$ 1,233	(10.7 %)
November 1, 2001	\$4.168/Gj	\$ 1,147	(6.9 %)
February 1, 2002	\$ 4.028/Gj	\$ 1,124	(2.0 %)
May 1, 2002	\$ 5.094/Gj	\$ 1,237	10.0%
August 1, 2002	\$ 4.759/Gj	\$ 1,146	(7.4 %)
November 1, 2002	\$ 5.024/Gj	\$ 1,171	2.2%



**CENTRA GAS MANITOBA INC.**  
**Schedule of Sales and Transportation Services and Rates**  
**Including October 10, 2002 Primary Gas Price Strip**

**CENTRA GAS MANITOBA INC.**  
**FIRM SALES AND DELIVERY SERVICES<sup>1</sup>**  
**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 MLC: For gas delivered through one meter to consumers served from the Transmission system.  
8 Special Contract: For gas delivered under the terms of a Special Contract with the Company.  
9

10 **Rates:**

	Distribution to Customers			Primary Gas Supply	Supplemental Gas Supply <sup>2</sup>
	Transportation to Centra	Sales Service	T Service		
12					
13					
14 <b>Basic Monthly Charge: (\$/month)</b>					
15 Small General Class (SGC)	N/A	\$10.00	\$10.00	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	\$758.24	\$758.24	N/A	N/A
18 Main Line Class (MLC) (Firm and Interruptible Supply)	N/A	\$1,233.71	\$1,233.71	N/A	N/A
19 Special Contract	N/A	N/A	\$89,797.80	N/A	N/A
20					
21 <b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
22 High Volume Firm Class (HVF)	\$0.2489	\$0.1244	\$0.1244	N/A	N/A
23 Main Line Class (MLC) (Firm Supply Only)	\$0.4752	\$0.0993	\$0.0993	N/A	N/A
24 Main Line Class (MLC) (Interruptible Supply Only)	\$0.2196	\$0.0993	\$0.0993	N/A	N/A
25 Special Contract	N/A	N/A	N/A	N/A	N/A
26					
27 <b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
28 Small General Class (SGC)	\$0.0447	\$0.0713	\$0.0713	\$0.1939	\$0.2220
29 Large General Class (LGC)	\$0.0441	\$0.0244	\$0.0244	\$0.1939	\$0.2220
30 High Volume Firm Class (HVF)	\$0.0208	\$0.0097	\$0.0097	\$0.1939	\$0.2220
31 Main Line Class (MLC) (Firm Supply Only)	\$0.0041	\$0.0009	\$0.0009	\$0.1939	\$0.2220
32 Main Line Class (MLC) (Interruptible Supply Only)	\$0.0035	\$0.0009	\$0.0009	\$0.1939	\$0.1922
33 Special Class	N/A	N/A	\$0.0009	N/A	N/A
34					

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

37 **Effective:** Rates to be charged for all billings based on gas consumed on and after **November 1, 2002**.

39 <sup>1</sup>Including Firm Mainline Delivery combined with Interruptible Supply.

40 <sup>2</sup>Supplemental Gas is mandatory for all Customers except T-Service.

41

42 **Approved by Board Order:** \_\_\_\_\_ - **November 1, 2002 Primary Gas Rate Application**

43 **Effective From:** **November 1, 2002**

44 **Date Implemented:** **November 1, 2002**

**Supersedes Board Order: 136/02**  
**Supersedes: August 1, 2002 Base Rates**

**CENTRA GAS MANITOBA INC.**  
**Schedule of Sales and Transportation Services and Rates**  
**Including October 10, 2002 Primary Gas Price Strip**

**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<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

	Transportation to Centra	Distribution to Customers		Primary Gas Supply	Supplemental Gas Supply <sup>1</sup>
		Sales Service	T Service		
7					
8					
9 <b>Basic Monthly Charge: (\$/month)</b>	N/A	\$855.39	\$855.39	N/A	N/A
10					
11 <b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
12 Interruptible Service	\$0.0894	\$0.0708	\$0.0708	N/A	N/A
13					
14 <b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
15 Interruptible Service	\$0.0111	\$0.0055	\$0.0055	\$0.1939	\$0.1922
16					
17 <b>Alternate Supply Service:</b>					
18 Gas Supply (Interruptible Sales and Mainline Interruptible)		Negotiated Cost of Gas	Negotiated Cost of Gas		
19 Delivery Service - Interruptible Sales		\$0.0078	\$0.0078		
20 Delivery Service - Mainline Interruptible Sales		\$0.0042	\$0.0042		
21					

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

23  
24 **Effective:** Rates to be charged for all billings based on gas consumed on and after **November 1, 2002**.

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

27  
28 **Approved by Board Order:** \_\_\_\_\_ - **November 1, 2002 Primary Gas Rate Application**

29 **Effective From:** **November 1, 2002**

30 **Date Implemented:** **November 1, 2002**

**Supersedes Board Order: 136/02**  
**Supersedes: August 1, 2002 Base Rates**

**CENTRA GAS MANITOBA INC.**  
**Schedule of Sales and Transportation Services and Rates**  
**Including October 10, 2002 Primary Gas Price Strip**

**CENTRA GAS MANITOBA INC.**  
**FIRM SALES AND DELIVERY SERVICES<sup>1</sup>**  
**RATE SCHEDULES (BASE RATES PLUS RIDERS)**

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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 MLC: For gas delivered through one meter to consumers served from the Transmission system.  
8 Special Contract: For gas delivered under the terms of a Special Contract with the Company.  
9

10 **Rates:**  
11

		Distribution to Customers			Primary Gas Deferral Rider	Primary Gas Supply	Supplemental Gas Supply <sup>2</sup>
		Transportation to Centra	Sales Service	T Service			
12							
13							
14	<b>Basic Monthly Charge: (\$/month)</b>						
15	Small General Class (SGC)	N/A	\$10.00	\$10.00	N/A	N/A	N/A
16	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A	N/A
17	High Volume Firm Class (HVF)	N/A	\$758.24	\$758.24	N/A	N/A	N/A
18	Main Line Class (MLC) (Firm and Interruptible Supply)	N/A	\$1,233.71	\$1,233.71	N/A	N/A	N/A
19	Special Contract	N/A	N/A	\$45,901.39	N/A	N/A	N/A
20							
21	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>						
22	High Volume Firm Class (HVF)	\$0.3323	\$0.1247	\$0.1247	N/A	N/A	N/A
23	Main Line Class (MLC) (Firm Supply Only)	\$0.4595	\$0.0993	\$0.0993	N/A	N/A	N/A
24	Main Line Class (MLC) (Interruptible Supply Only)	\$0.2039	\$0.0993	\$0.0993	N/A	N/A	N/A
25	Special Contract	N/A	N/A	N/A	N/A	N/A	N/A
26							
27	<b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>						
28	Small General Class (SGC)	\$0.0399	\$0.0717	\$0.0717	\$0.0363	\$0.1876	\$0.0784
29	Large General Class (LGC)	\$0.0395	\$0.0248	\$0.0248	\$0.0363	\$0.1876	\$0.0784
30	High Volume Firm Class (HVF)	\$0.0144	\$0.0115	\$0.0115	\$0.0363	\$0.1876	\$0.0784
31	Main Line Class (MLC) (Firm Supply Only)	\$0.0020	\$0.0019	\$0.0019	\$0.0363	\$0.1876	\$0.0784
32	Main Line Class (MLC) (Interruptible Supply Only)	\$0.0014	\$0.0019	\$0.0019	\$0.0363	\$0.1876	\$0.0205
33	Special Class	N/A	N/A	\$0.0009	N/A	N/A	N/A
34							

35 **Minimum Monthly Bill:** Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.  
36

37 **Effective:** Rates to be charged for all billings based on gas consumed on and after **November 1, 2002**.  
38

39 <sup>1</sup>Including Firm Mainline Delivery combined with Interruptible Supply.

40 <sup>2</sup>Supplemental Gas is mandatory for all Customers except T-Service.

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43 **Effective From:** **November 1, 2002**

44 **Date Implemented:** **November 1, 2002**

**Supersedes Board Order: 136/02**  
**Supersedes: August 1, 2002 Billed Rates**



**CENTRA GAS MANITOBA INC.**  
**Schedule of Sales and Transportation Services and Rates**  
**Including October 10, 2002 Primary Gas Price Strip**

**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

	Distribution to Customers			Primary Gas Deferral Rider	Primary Gas Supply	Supplemental Gas Supply <sup>1</sup>
	Transportation to Centra	Sales Service	T Service			
7						
8						
9 <b>Basic Monthly Charge: (\$/month)</b>	N/A	\$855.39	\$855.39	N/A	N/A	N/A
10						
11 <b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>						
12 Interruptible Service	\$0.1221	\$0.0710	\$0.0710	N/A	N/A	N/A
13						
14 <b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>						
15 Interruptible Service	\$0.0058	\$0.0070	\$0.0070	\$0.0363	\$0.1876	\$0.0205
16						
17 <b>Alternate Supply Service:</b>						
18 Gas Supply (Interruptible Sales and Mainline Interruptible)		Negotiated Cost of Gas	Negotiated Cost of Gas			
19 Delivery Service - Interruptible Sales		\$0.0093	\$0.0093			
20 Delivery Service - Mainline Interruptible Sales		\$0.0052	\$0.0052			
21						

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

23  
24 **Effective:** Rates to be charged for all billings based on gas consumed on and after **November 1, 2002**.

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

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