

**MANITOBA** ) **Order No. 120/03**  
 )  
**THE PUBLIC UTILITIES BOARD ACT** ) **July 29, 2003**

Before: G. D. Forrest, Chair  
L. Evans, Member  
M. Girouard, Member  
Mario J. Santos, Member

**CENTRA GAS MANITOBA INC. APPLICATION FOR AN INTERIM  
EX-PARTE ORDER OF THE BOARD AUTHORIZING AND  
APPROVING AN AMENDMENT TO THE EXISTING FRANCHISE  
AGREEMENT BETWEEN CENTRA AND THE RURAL  
MUNICIPALITY OF ROCKWOOD**

## **1.0 The Application**

On July 23, 2003 Centra Gas Manitoba Inc. ("Centra") applied to the Manitoba Public Utilities Board ("the Board") for interim ex-parte approval and authorization of an amendment to the existing franchise agreement between Centra and the Rural Municipality of Rockwood ("Rockwood") to enable the installation of a natural gas service for one residential customer within the expanded franchise area.

## **2.0 Franchise Agreement**

Centra currently has a franchise agreement with Rockwood covering a portion of the Municipality. Centra was requested to extend natural gas service by a homeowner located in SE ¼ of Section 28, Township 16, Range 2 EPM, located adjacent to the existing distribution main serving the Town of Teulon. Centra is requesting a franchise for the entire quarter section, as the alternative is to apply for approval of franchises on a lot by lot basis. In Centra's view this is not practical.

Rockwood gave first reading to By-Law No. 11/03 on July 9, 2003 which authorized Rockwood to amend the franchise agreement with Centra by including an additional area, subject to approval of the Board. Second and third reading of the By-Law will only be considered if the Board approves the amended franchise pursuant to Section 89 of the Public Utilities Board Act. If the application is approved, Centra proposes to install the customer's service immediately, and to seek confirmation of this interim Order at the next appropriate proceeding.

### **3.0 Service Line and Connection Fees**

The customer is to be served by the installation of a 26.7-mm service line and an appropriate meter set. There is no requirement for any other capital upgrade as a result of this service installation.

Pursuant to the requirements of Order 95/00, dated July 5, 2000, the customer has provided a \$500 Residential Connection fee. Additionally, the customer has paid an Excess Footage Charge of \$1,108.96 for 232 metres in accordance with Centra's Terms and Conditions of Service. Centra has already received the total payment, including GST.

### **4.0 Potential Customers**

Centra stated that, if other customers adjacent to this distribution line requested service, the same connection fee would be collected, as would applicable Excess Footage Charges. Customers requesting service that are not adjacent to this line, but located within this franchise area, would require the installation of another distribution main. These customers would pay any shortfall in costs that would be calculated in accordance with Centra's currently approved feasibility test.

### **5.0 Board Findings**

The Board agrees that franchise application on a lot-by-lot basis is not practical and that amending a franchise agreement to encompass a quarter section, even if to serve only one customer, is reasonable. The Board is satisfied that the Connections Fees and Excess Footage Charges are appropriate and in accordance with existing requirements. The Board will expect Centra to advise the Board of any new customer attachments within this expanded franchise area that would be subject to a feasibility test.

### **6.0 IT IS THEREFORE ORDERED THAT:**

1. The amendment to the existing Franchise Agreement between the Rural Municipality of Rockwood and Centra Gas Manitoba Inc., as requested, BE AND IS HEREBY APPROVED.
2. This interim Order shall remain in effect until confirmed or otherwise by a subsequent Order of the Board.

THE PUBLIC UTILITIES BOARD

"G. D. FORREST"

Chairman

"H. M. SINGH"

Acting Secretary

Certified a true copy of Order No.  
120/03 issued by The Public Utilities  
Board

Acting Secretary