

MANITOBA

Order No. 46/10

THE PUBLIC UTILITIES BOARD ACT

May 3, 2010

BEFORE: Graham Lane, CA, Chairman
Len Evans, LL.D., Member
Monica Girouard, Member

**REVISED CENTRA GAS MANITOBA INC. RATES
EFFECTIVE MAY 1, 2010**

1.0 Introduction

Centra, which is a subsidiary of Manitoba Hydro, is Manitoba's largest natural gas distributor, and its rates and charges are subject to the approval of the Board pursuant to provisions of *The Public Utilities Board Act*.

This Order combines the effects of a regularly scheduled quarterly interim Primary gas rate change with rate changes arising from the public hearing of Centra's 2010/11 Cost of Gas Application and with rate changes arising from Order 128/09 amending non-gas rates.

2.0 Overview

Centra's Cost of Gas Application sought amendments to non-Primary gas rates (Supplemental Gas, Transportation, and Distribution rates, and Basic Monthly Charge).

By Order 41/10, the Board provided directions to Centra pertaining to Primary gas, non-Primary gas rates and costs, and non-gas rates. This Order reflects those directions in both rates and annualized bill impacts.

Understanding Centra rates

The five components of Centra's natural gas billings to customers are Primary Gas, Supplemental Gas, Transportation (to Centra), Distribution (to Customers), and Basic Monthly Charge (BMC). Supplemental Gas, Transportation, and a portion of the Distribution rate are impacted by Centra's Cost of Gas Application and are referred to collectively as non-Primary gas rates. The majority of the Distribution rate and the BMC are referred to as non-gas rates. Non-Primary gas and non-gas rates affect all customers (not including those customers who arrange their own Transportation of gas) while the revised Primary gas rates affect only those customers who purchase their Primary gas from Centra under its default supply, not those purchasing Primary gas under contract from retail marketers or from Centra's Fixed Rate Primary Gas Service. A more detailed description of Centra's rates is provided in Order 41/10.

3.0 Board Findings

Approval of Applications

The Board approves Centra's filing of interim Primary and non-Primary natural gas rates effective May 1, 2010, as attached.

Centra's proposed rate changes properly reflect:

- a) Interim primary gas rates that incorporate current market and projected future commodity prices, deferral balances, and hedged positions calculated consistent with the Board-approved Rate Setting Methodology (RSM) on a quarterly basis;
- b) A revision to the forecast of non-Primary gas costs for the 2009/10 Gas Year in respect of the CAD/USD currency exchange rate, with actual exchange rates to date and a forecast of \$1.02 CAD/USD; and
- c) Revisions to the non-gas Revenue Requirement, specifically to Centra's allocation of Net Income to its various rate classes and the calculation of Interest on Common Assets and Inventory reflecting the Board's direction in Order 128/09 regarding the forecast of short term and long term interest rates.

Bill Impacts

The table below lists the bill impacts for Centra's various rate classes on an annualized basis.

Bill Impacts –Rate Changes for May 1, 2010

Class	Annual Increase (Decrease)	Percentage Increase (Decrease)
SGS (includes residential)	(\$19 – \$335)	(3.7% - 8.2%)
LGS	(\$247 - \$19,751)	(6.0% - 9.9%)
High Volume Firm	(\$18,480 - \$290,254)	(7.3% - 9.0%)
Mainline	(\$58,815 - \$989,999)	(7.8% - 9.6%)
Interruptible	(\$41,953 – \$722,705)	(17.6% - 18.8%)

Note: Includes Primary Gas, non-Primary gas and non-gas rate changes

A typical residential customer that consumes 2533 m³ of natural gas each year can expect their bill to decrease by \$66 per year, or 6.4%.

Notification

Centra is to advise its customers of rate changes arising out of this Order through a bill insert, by media release, and through its website, each of which to provide a reference to the Board's website. Centra customers are also referred to MH's website and press release for further rate information and, as well, information on measures to mitigate bill volatility.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure (Rules). The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.

3.0 IT IS THEREFORE ORDERED THAT:

1. The Schedules of Rates concerning Primary Gas Rates and Non-Primary Gas Rates attached to this Order as Appendix “A”, effective for all gas consumed on and after May 1, 2010, BE AND ARE HEREBY APPROVED on an interim basis; and shall be in effect until confirmed or otherwise dealt with, by a further Order of the Board; and
2. The Schedules of Rates concerning Non-Gas Rates, attached to this Order as Appendix “A”, effective for all gas consumed on and after May 1, 2010, BE AND ARE HEREBY APPROVED on a final basis.

THE PUBLIC UTILITIES BOARD

“GRAHAM LANE, CA”

Chairman

“H. M. SINGH”

Acting Secretary

Certified a true copy of Order No. 46/10
issued by The Public Utilities Board

Acting Secretary

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES 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 ³				
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m ³				
7	CO-OP:	For gas delivered to natural gas distribution cooperatives				
8	MLC:	For gas delivered through one meter to customers 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:					
		Distribution to Customers				
		Transportation			Primary Gas	Supplemental
		to			Supply	Gas
		Centra	Sales Service	T-Service		Supply¹
13						
14	Basic Monthly Charge: (\$/month)					
15	Small General Class (SGC)	N/A	\$14.00	N/A	N/A	N/A
16	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A	N/A
17	High Volume Firm (HVF)	N/A	\$1,118.31	\$1,118.31	N/A	N/A
18	Cooperative (CO-OP)	N/A	\$274.06	\$274.06	N/A	N/A
19	Main Line Class (MLC)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
20	Special Contract	N/A	N/A	\$135,336.14	N/A	N/A
21	Power Station	N/A	N/A	\$11,565.60	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.2250	\$0.1504	\$0.1504	N/A	N/A
25	Cooperative (CO-OP)	\$0.3320	\$0.1298	\$0.1298	N/A	N/A
26	Main Line Class (MLC)	\$0.4060	\$0.1579	\$0.1579	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0283	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m³)					
31	Small General Class (SGC)	\$0.0409	\$0.0874	N/A	\$0.1869	\$0.1827
32	Large General Class (LGC)	\$0.0397	\$0.0367	\$0.0367	\$0.1869	\$0.1827
33	High Volume Firm (HVF)	\$0.0167	\$0.0086	\$0.0086	\$0.1869	\$0.1827
34	Cooperative (CO-OP)	\$0.0063	\$0.0001	\$0.0001	\$0.1869	\$0.1827
35	Main Line Class (MLC)	\$0.0067	\$0.0021	\$0.0021	\$0.1869	\$0.1827
36	Special Contract	N/A	N/A	\$0.0002	N/A	N/A
37	Power Station	N/A	N/A	\$0.0163	N/A	N/A
38						
39	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
40						
41	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
42						
43	Effective:	Rates to be charged for all billings based on gas consumed on and after May 1, 2010.				

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 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			<u>Distribution to Customers</u>			
		Transportation to			Primary Gas Supply	Supplemental Gas Supply ¹
		Centra	Sales Service	T-Service		
7						
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,042.72	\$1,042.72	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
11						
12	Monthly Demand Charge (\$/m³/month)					
13	Interruptible Service	\$0.1032	\$0.0772	\$0.0772	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1588	\$0.1579	\$0.1579	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0109	\$0.0059	\$0.0059	\$0.1869	\$0.1870
18	Mainline Interruptible (with firm delivery)	\$0.0070	\$0.0021	\$0.0021	\$0.1869	\$0.1870
19						
20	Alternate Supply Service:			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery Service - Interruptible Class			\$0.0084		
23	Delivery Service - Mainline Interruptible Class			\$0.0073		
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 May 1, 2010.				

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 ³ .				
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m ³ .				
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:					
		Distribution to Customers				
		Transportation to Centra	Sales Service	T-Service	Primary Gas Supply	Supplemental Gas Supply¹
13						
14						
15	Basic Monthly Charge: (\$/month)					
16	Small General Class (SGC)	N/A	\$14.00	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$1,118.31	\$1,118.31	N/A	N/A
19	Cooperative (Co-op)	N/A	\$274.06	\$274.06	N/A	N/A
20	Main Line Class (MLC)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
21	Special Contract	N/A	N/A	\$135,336.14	N/A	N/A
22	Power Station	N/A	N/A	\$11,565.60	N/A	N/A
23						
24	Monthly Demand Charge (\$/m³/month)					
25	High Volume Firm Class (HVF)	\$0.2763	\$0.1513	\$0.1513	N/A	N/A
26	Cooperative (Co-op)	\$0.3320	\$0.1298	\$0.1298	N/A	N/A
27	Main Line Class (MLC) (Firm)	\$0.3681	\$0.1591	\$0.1591	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A
29	Power Station	N/A	N/A	\$0.0286	N/A	N/A
30						
31	Commodity Volumetric Charge: (\$/m³)					
32	Small General Class (SGC)	\$0.0397	\$0.0899	N/A	\$0.1844	\$0.1827
33	Large General Class (LGC)	\$0.0388	\$0.0391	\$0.0374	\$0.1844	\$0.1827
34	High Volume Firm Class (HVF)	\$0.0159	\$0.0116	\$0.0099	\$0.1844	\$0.1827
35	Cooperative (Co-op)	\$0.0063	\$0.0001	\$0.0001	\$0.1844	\$0.1827
36	Main Line Class (MLC) (Firm)	\$0.0138	\$0.0048	\$0.0031	\$0.1844	\$0.1827
37	Special Contract	N/A	N/A	\$0.0002	N/A	N/A
38	Power Station	N/A	N/A	\$0.0163	N/A	N/A
39	Power Station refund			-\$0.0267		
40	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
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, 2010.				

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			<u>Distribution to Customers</u>			
7		<u>Transportation</u>			<u>Primary</u>	<u>Supplemental</u>
8		<u>to</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Gas</u>	<u>Gas</u>
9		<u>Centra</u>			<u>Supply</u>	<u>Supply</u> ¹
10	Basic Monthly Charge: (\$/month)					
11	Interruptible Service	N/A	\$1,042.72	\$1,042.72	N/A	N/A
12	Mainline Interruptible (with firm delivery)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
13	Monthly Demand Charge (\$/m³/month)					
14	Interruptible Service	\$0.1271	\$0.0777	\$0.0777	N/A	N/A
15	Mainline Interruptible (with firm delivery)	\$0.1827	\$0.1591	\$0.1591	N/A	N/A
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0139	\$0.0056	\$0.0078	\$0.1844	\$0.1870
18	Mainline Interruptible (with firm delivery)	\$0.0100	\$0.0048	\$0.0031	\$0.1844	\$0.1870
19						
20	Alternate Supply Service:			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery Service - Interruptible Class			\$0.0104		
23	Delivery Service - Mainline Interruptible Class			\$0.0083		
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 May 1, 2010.				