

MANITOBA) **Order No. 06/08**
)
THE PUBLIC UTILITIES BOARD ACT) **January 28, 2008**

BEFORE: Graham Lane, CA, Chairman
Leonard Evans, LLD, Member
Monica Girouard, CGA, Member

**CENTRA GAS MANITOBA INC.: PRIMARY
GAS RATES, EFFECTIVE FEBRUARY 1, 2008**

Table of Contents

	Page
1.0 Executive Summary	3
2.0 Introduction	3
3.0 Primary Gas Rates	6
4.0 Outstanding Positions, Hedging	8
5.0 Board Findings	9
6.0 It Is Therefore Ordered That:	10
Schedules of Rates	Appendix "A"

1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves an *ex parte* application by Centra Gas Manitoba Inc.'s (Centra) to increase gas rates for customers supplied by Centra as of February 1, 2008. The revised rates have been established in accordance with the Board-approved Rate Setting Methodology (RSM), an agreed upon process that furthers the objective of least-cost regulation through deferring a public review of the amendments to the Board's annual Cost of Gas hearing.

Primary gas rates will increase from \$0.2731m³ to \$0.2785m³. The new rates will remain in effect until April 30, 2008, when the next scheduled quarterly primary gas rate review will take place.

2.0 Introduction

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

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 in varying degrees to all customers);
- Distribution (to Customer) Rates (applicable to all customers); and
- Basic Monthly Charge (BMC) (applicable to all customers).

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).

Presently, ahead of the February 1 amendment, natural gas market prices remain at levels of a year ago. The minor rate increases that will take effect February 1, 2008 arise primarily from the relatively stable gas prices that have followed the sharp decline in natural gas commodity prices experienced in 2006 from the peak levels of December 2005.

Market price changes have 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 have limited the magnitude of the rate decreases that would have resulted in the absence of hedging.

Estimates indicate that Centra will incur additional primary gas costs, as a result of hedging, of approximately \$44.5 million for the fiscal year ending March 31, 2008 and approximately \$24.9 million for the gas year starting November 1, 2007. Actual results are expected to vary from these projections.

The 2007 change in hedging practices from \$0.50 out of the money to \$1.00 allows for a wider band reducing the magnitude of hedging gains and losses, while still providing customers protection from significant price spikes.

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 nine years since Manitoba Hydro acquired Centra 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%)	1,261	(1.1%)
February 1, 2007	7.661/GJ	(3.5%)	1,261	0%
May 1, 2007	8.040/GJ	4.9%	1,318	4.5%
August 1, 2007	7.457/GJ	(7.3%)	1,255	(5.1%)
November 1, 2007	7.070/GJ	(5.2%)	1,214	(3.4%)
February 1, 2008	7.314/GJ	3.4%	1,228	1.2%

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 and further to 2590 in August 2007, 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, 2008.

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

The following table provides the composition of this rate amendment:

Component	Costs and Rates November 1/06	Costs and Rates February 1/07	Costs and Rates May 1/07	Costs and Rates August 1/07	Costs and Rates November 1/07	Costs and Proposed Rates February 1, 2008
Date of Forward Price Strip	October 2, 2006	January 2, 2007	April 20, 2007	July 2, 2007	October 1, 2007	January 2, 2008
¹ 12 Month Forward Price	\$6.907/GJ	\$7.095/GJ	\$8.243/GJ	\$7.182/GJ	\$6.491/GJ	\$7.221/GJ
² Costs resulting from Hedging	\$1.303/GJ	\$0.768/GJ	\$0.080/GJ	\$0.412/GJ	\$0.707/GJ	\$0.278/GJ
⁴ Forecast Gas Supply Price	\$8.210/GJ	\$7.863/GJ	\$8.323	\$7.594	\$7.198	\$7.499
³ Cost of Gas drawn from Storage	\$6.690/GJ	\$6.722/GJ	\$6.722/GJ	\$6.722/GJ	\$6.380/GJ	\$6.319/GJ
Weighted Gas, Cost (mix of Gas Supply & Storage Gas costs)	\$7.941/GJ	\$7.661/GJ	\$8.040/GJ	\$7.457/GJ	\$7.070/GJ	\$7.314/GJ
Rate per Cubic Metre	\$0.2992	\$0.2896	\$0.3039	\$0.2819	\$0.2672	\$0.2765
⁵ Base Primary Rate, adding Fuel and Overhead cost component	\$0.3065	\$0.2961	\$0.3111	\$0.28723	\$0.2722	\$0.2819
Plus (Less) PGVA Rider	(\$0.0133/m ³) Residential, and (\$0.0275m ³) Other	(\$0.003/m ³) Residential, and (\$0.016m ³) Other	\$0.0023	\$0.0018	\$0.0009	\$0.0034
Total Billed Rate	\$0.2932/m ³ Residential, and \$0.2790m ³ Other	\$0.2932/m ³ Residential, and \$0.2790m ³ Other	\$0.3134/m ³ all customers	\$0.2891/m ³ all customers	\$0.2731/m ³ all customers	\$0.2785/m ³ all customers

Notes:

1. Primary gas rate increase factors in 100% of the increase between the current 12-month forward price for Western Canadian natural gas commodity supplies for the period February 6, 2008 to January 9, 2009 from the price as of January 2, 2008;
2. Forecast losses on hedges placed for the next twelve months are accounted for with the projected loss for hedging of \$10.35 Million.
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 2007/08 (withdrawals commence November 1, 2007), and blended in on a weighted basis to arrive at a weighted gas cost. The storage component is forecast to be \$6.319 for the November 1, 2007 to October 31, 2008 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. Rate changes by means of rate riders are established to adjust for Primary Gas PGVA balances accumulated and, projected to, January 31, 2008, over a 12-month period beginning February 1, 2008 of \$3.9 million owing to customers
5. At February 1, 2008, Fuel costs of \$0.003 and overhead costs components of \$0.0016 per m³.

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) to January 31, 2008 is \$3.9 million owing to customers. The Primary Gas Rates also reflect a storage component of \$6.319/GJ, which is the average cost of gas in storage as at October 31, 2007 in addition to fuel and gas overhead costs.

Through the combination of factors as set out above, Centra's calculations derived February 1, 2008 primary gas billed rates of \$0.2785/m³ for all customers.

Although primary gas rates will now be slightly higher through April 30, 2008, weather conditions, changes made by owners to property heating efficiency, and 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 the modest rate change.

The annualized bill impacts of the requested Primary Gas rates are summarized as follows:

Customer Class	Annualized Rate Increase
SGS	1.0% - 1.3%
LGS	1.3% - 1.6%
High Volume Firm	1.5% - 1.7%
Mainline	1.6% - 1.8%
Interruptible	1.6% - 1.8%

The increase for a typical residential customer, based on an annual consumption of 92 Mcf or 2,590m³, is 1.2% or \$14.00 per year.

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 until 2006, when the commodity price “tide turned”, Centra’s hedging activities from 2001 had resulted in an overall reduction to gas costs and rates. Since then, the results of hedging have been to the opposite, increasing overall gas costs.

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 have added to the cost of gas rather than reduced it. The hedging impact to the end of the fiscal year at March 31, 2008, is forecast to be \$44.5 million (addition to gas costs). For the gas year ending October 31, 2008, which began November 1, 2007, the forecast addition to gas costs is currently \$24.9 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 2008 to October 2008:

- On April 18 and 25, 2007, two tranches of price hedges of 50% of eligible volumes were placed covering the months of February 2008 through April 2008. The upper strike prices on the instruments purchased ranged between \$8.855/GJ and \$10.435/GJ. Corresponding lower strike prices ranged between \$6.895/GJ and \$8.150/GJ.

- On July 31 and August 1, 2007, two tranches of price hedges of 50% of eligible volumes were placed covering the months of May 2008 through July 2008. The upper strike prices on the instruments purchased ranged between \$8.245/GJ and \$8.445/GJ. Corresponding lower strike prices ranged between \$6.315/GJ and \$6.570/GJ.
- On October 16 and 23, 2007, two tranches of price hedges of 50% of eligible volumes were placed covering the months of August 2008 through October 2008. The upper strike prices on the instruments purchased ranged between \$7.205/GJ and \$7.595/GJ. Corresponding lower strike prices ranged between \$5.560/GJ and \$5.930/GJ.

5.0 Board Findings

Approval

The Board will approve Centra's proposal to increase interim primary natural gas rates for system gas customers. The next review will take place as of May 1, 2008. Centra's proposal to increase interim rates properly reflects the Board-approved RSM.

As previously indicated, primary gas rate changes 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, 2008 will be \$0.2785/m³ for all customers.

Notification

Centra is to advise primary gas customers of the change in primary gas rates through its newsletter, *Energy Matters*.

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, 2008, 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 LANE, CA"
Chairman

"GERRY GAUDREAU, CMA"
Secretary

Certified a true copy of Order No. 06/08
issued by The Public Utilities Board

Secretary

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Gas Rates Effective February 1, 2008

ATTACHMENT 1
February 1, 2008
Page 1 of 4

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 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	\$12.00	N/A	N/A	N/A
17	Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A
18	High Volume Firm Class (HVF)	N/A	\$1,021.50	\$1,021.50	N/A	N/A
19	Cooperative (Co-op)	N/A	\$300.14	\$300.14	N/A	N/A
20	Main Line Class (MLC)	N/A	\$1,466.48	\$1,466.48	N/A	N/A
21	Special Contract	N/A	N/A	\$121,552.83	N/A	N/A
22	Power Station	N/A	N/A	\$12,851.84	N/A	N/A
23						
24	Monthly Demand Charge (\$/m³/month)					
25	High Volume Firm Class (HVF)	\$0.1924	\$0.1477	\$0.1477	N/A	N/A
26	Cooperative (Co-op)	\$0.3066	\$0.1268	\$0.1268	N/A	N/A
27	Main Line Class (MLC)	\$0.3698	\$0.1679	\$0.1679	N/A	N/A
28	Special Contract	N/A	N/A	N/A	N/A	N/A
29	Power Stations	N/A	N/A	\$0.0135	N/A	N/A
30						
31	Volumetric Charge: (\$/m³)					
32	Small General Class (SGC)	\$0.0378	\$0.0869	N/A	\$0.2819	\$0.2686
33	Large General Class (LGC)	\$0.0372	\$0.0363	\$0.0363	\$0.2819	\$0.2686
34	High Volume Firm Class (HVF)	\$0.0167	\$0.0092	\$0.0092	\$0.2819	\$0.2686
35	Cooperative (Co-op)	\$0.0079	\$0.0001	\$0.0001	\$0.2819	\$0.2686
36	Main Line Class (MLC)	\$0.0081	\$0.0030	\$0.0030	\$0.2819	\$0.2686
37	Special Contract	N/A	N/A	\$0.0004	N/A	N/A
38	Power Station	N/A	N/A	\$0.0527	N/A	N/A
39						
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 February 1, 2008.				

Approved by Board Order:
 Effective from: February 1, 2008
 Date Implemented: February 1, 2008

Supersedes Board Order: 140/07
 Supersedes: November 1, 2007 Rates

CENTRA GAS MANITOBA INC.
Appendix A - Schedule of Sales and Transportation Services and Rates
Proposed Gas Rates Effective February 1, 2008

ATTACHMENT 1
February 1, 2008
Page 2 of 4

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 Centra	Sales Service	T-Service	Primary Gas Supply	Supplemental Gas Supply ¹
7						
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,009.22	\$1,009.22	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,466.48	\$1,466.48	N/A	N/A
11						
12	Monthly Demand Charge (\$/m³/month)					
13	Interruptible Service	\$0.0886	\$0.0834	\$0.0834	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.1517	\$0.1679	\$0.1679	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0123	\$0.0071	\$0.0071	\$0.2819	\$0.2686
18	Mainline Interruptible (with firm delivery)	\$0.0086	\$0.0030	\$0.0030	\$0.2819	\$0.2686
19						
20	Alternate Supply Service:			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery Service - Interruptible Class			\$0.0098		
23	Delivery Service - Mainline Interruptible Class			\$0.0085		
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 February 1, 2008.				

Approved by Board Order:
 Effective from: February 1, 2008
 Date Implemented: February 1, 2008

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CENTRA GAS MANITOBA INC.
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ATTACHMENT 1
 February 1, 2008
 Page 3 of 4

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 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:**

	Distribution to Customers			Primary Gas Supply	Supplemental Gas Supply ¹
	Transportation to Centra	Sales Service	T-Service		
13					
14					
15 Basic Monthly Charge: (\$/month)					
16 Small General Class (SGC)	N/A	\$12.00	N/A	N/A	N/A
17 Large General Class (LGC)	N/A	\$70.00	\$70.00	N/A	N/A
18 High Volume Firm Class (HVF)	N/A	\$1,021.50	\$1,021.50	N/A	N/A
19 Cooperative (Co-op)	N/A	\$300.14	\$300.14	N/A	N/A
20 Main Line Class (MLC)	N/A	\$1,466.48	\$1,466.48	N/A	N/A
21 Special Contract	N/A	N/A	\$121,552.63	N/A	N/A
22 Power Station	N/A	N/A	\$12,851.84	N/A	N/A
23					
24 Monthly Demand Charge (\$/m³/month)					
25 High Volume Firm Class (HVF)	\$0.2659	\$0.1480	\$0.1480	N/A	N/A
26 Cooperative (Co-op)	\$0.3065	\$0.1268	\$0.1268	N/A	N/A
27 Main Line Class (MLC) (Firm)	\$0.3695	\$0.1682	\$0.1682	N/A	N/A
28 Special Contract	N/A	N/A	N/A	N/A	N/A
29 Power Station	N/A	N/A	\$0.0155	N/A	N/A
30					
31 Commodity Volumetric Charge: (\$/m³)					
32 Small General Class (SGC)	\$0.0332	\$0.0873	N/A	\$0.2785	\$0.2686
33 Large General Class (LGC)	\$0.0330	\$0.0343	\$0.0345	\$0.2785	\$0.2686
34 High Volume Firm Class (HVF)	\$0.0118	\$0.0076	\$0.0078	\$0.2785	\$0.2686
35 Cooperative (Co-op)	\$0.0079	\$0.0001	\$0.0002	\$0.2785	\$0.2686
36 Main Line Class (MLC) (Firm)	\$0.0081	\$0.0022	\$0.0024	\$0.2785	\$0.2686
38 Special Contract	N/A	N/A	\$0.0004	N/A	N/A
39 Power Station	N/A	N/A	\$0.0525	N/A	N/A
40					

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

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

46 **Effective:** Rates to be charged for all billings based on gas consumed on and after February 1, 2008.

Approved by Board Order:
 Effective from: February 1, 2008
 Date Implemented: February 1, 2008

Supersedes Board Order: 140/07
 Supersedes: November 1, 2007 Rates

CENTRA GAS MANITOBA INC.
 Appendix A - Schedule of Sales and Transportation Services and Rates
 Proposed Gas Rates Effective February 1, 2008

ATTACHMENT 1
 February 1, 2008
 Page 4 of 4

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			
		Transportation to Centra	Sales Service	T-Service	Primary Gas Supply	Supplemental Gas Supply ¹
7						
8	Basic Monthly Charge: (\$/month)					
9	Interruptible Service	N/A	\$1,009.22	\$1,009.22	N/A	N/A
10	Mainline Interruptible (with firm delivery)	N/A	\$1,466.48	\$1,466.48	N/A	N/A
11						
12	Monthly Demand Charge (\$/m³/month)					
13	Interruptible Service	\$0.1429	\$0.0836	\$0.0836	N/A	N/A
14	Mainline Interruptible (with firm delivery)	\$0.2198	\$0.1682	\$0.1682	N/A	N/A
15						
16	Commodity Volumetric Charge: (\$/m³)					
17	Interruptible Service	\$0.0104	\$0.0049	\$0.0051	\$0.2785	\$0.2666
18	Mainline Interruptible (with firm delivery)	\$0.0057	\$0.0022	\$0.0024	\$0.2785	\$0.2666
19						
20						
21						
22	Alternate Supply Service:			Negotiated		
23	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
24	Delivery Service - Interruptible Class			\$0.0077		
25	Delivery Service - Mainline Interruptible Class			\$0.0085		
26						
27	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
28						
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 February 1, 2008.				

Approved by Board Order:
 Effective from: February 1, 2008
 Date Implemented: February 1, 2008

Supersedes Board Order: 140/07
 Supersedes: November 1, 2007 Rates