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November 8, 2019

Mr. D. Christle
Secretary and Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Mr. Christle:

**RE: CENTRA GAS MANITOBA INC. ("CENTRA") 2019/20 GENERAL RATE APPLICATION
("Application") – PUBLIC REDACTED VERSION OF COMPLIANCE FILING**

On October 31, 2019, the Public Utilities Board of Manitoba ("PUB") issued Order 161/19 with respect to Centra's 2019/20 General Rate Application. In this Order the PUB directed Centra to "*file a public redacted version of its compliance filing and to provide Interveners of Record who have been given access to confidential information in the GRA proceeding access to the unredacted filing*".

Please find enclosed the public redacted version of Centra's compliance filing. Centra will provide unredacted copies of its compliance filing to interveners who were granted access to view confidential information.

Should you have any questions, please do not hesitate to contact the writer at (204) 360-3257 or Darryl Martin at (204) 360-4487.

Yours truly,

MANITOBA HYDRO LEGAL SERVICES DIVISION

Per:

A handwritten signature in black ink, appearing to read 'J. Carvell'.

JESSICA CARVELL
Barrister & Solicitor

cc : Mr. B. Peters, Fillmore Riley
Ms. R. McMillin, Public Utilities Board



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October 25, 2019

Mr. D. Christle
Secretary and Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Mr. Christle:

RE: CENTRA GAS MANITOBA INC. ("CENTRA") 2019/20 GENERAL RATE APPLICATION – COMPLIANCE FILING PURSUANT TO ORDER 152/19

On October 11, 2019, the Public Utilities Board ("PUB") issued Order 152/19 with respect to Centra's 2019/20 General Rate Application for rates effective November 1, 2019.

Pursuant to Order 152/19, Centra is providing revised calculations and schedules for Revenue Requirement, rates and customer bill impacts that reflect the directives in the Order as well as revised calculations and schedules for Rate Base, reflecting the impacts on plant and regulatory deferral account balances arising from the directives in the PUB's Order. As Centra's Compliance Filing contains commercially sensitive information throughout, it is being filed in confidence with the PUB only. Further, Centra is providing this compliance filing as directed in Order 152/19 without prejudicing its right to Review and Vary or appeal any portion of Order 152/19.

Centra is seeking approval of the Rate Schedules included with this submission in order to implement new Sales and Transportation Rates effective November 1, 2019. Centra is also requesting approval of the revised Schedule of Sales and Transportation Services and Rates ("Ts & Cs") included as Appendix II through IV.

In this submission, Centra is also seeking confirmation from the PUB on matters arising in Order 152/19 with respect to the approved rate of return for use in feasibility tests for natural gas expansion and the DSM Deferral Account.

Financial Statements Reflecting Order 152/19

Attached as Schedule 1.0 is Centra's Projected Operating Statement, Projected Balance Sheet, and Projected Statement of Cash Flow for the 2019/20 Test Year reflecting the directions of the PUB in Order 152/19. The financial statements were revised to reflect the following:

Available in accessible formats upon request

- The PUB approved weather-normalized net income of \$3 million on an annualized basis, as per Directive 2(i).
- A reduction in Finance Expense of \$0.688 million reflecting the reduction of \$0.664 million per Directive 2(g), and a further reduction of \$0.024 million arising from the adjustments required by other directives in Order 152/19, as further discussed below.
- A reduction in Operating and Administrative Expense of \$2.550 million, which reflects an allocation of 6% of the savings related to the Voluntary Departure Program to gas operations and an annual escalation of 1%, per Directive 2(a). Centra has applied this reduction proportionally to the various O&A programs.
- A reduction in Capital & Other Taxes of \$0.307 million including a reduction of \$0.350 million to reflect a decrease in the estimate of property taxes per Directive 2(h), and an increase of approximately \$0.043 million arising from the adjustments required by other directives in Order 152/19, as further discussed below.
- Approval to cease funding the Furnace Replacement Program through Small General Service ("SGS") customer rates effective November 1, 2019, per Directive 9, and the establishment of a liability in the amount of \$17.7 million to be refunded to SGS customers commencing November 1, 2019, per Directive 10.
- The discontinuation of the Ineligible Overhead Regulatory Deferral Account in 2019/20, and an adjustment of \$3.335 million to Retained Earnings to write-off the balance accumulated between the 2014/15 and 2018/19 period, per Directive 2(c).
- The establishment of a new Meter Compliance Liability regulatory deferral account in the amount of \$15.3 million per Directive 2(b), to be amortized over three years, and recognition of the associated Meter Testing net asset balance to be depreciated over 10 years.
- The PUB approved amortization periods for the balances in the 2014 Depreciation Study deferral account (five years per Directive 2 (d)), Updated Gas Meter Depreciation Rate deferral account (five years per Directive 2(e)), Asset Removal Costs and Asset Retirement Gains and Losses deferral account (five years per Directive 2(f)), and the associated impacts to Net Movement and the Regulatory Deferral Account Balance in the Test Year.
- The disposition of the prior period Heating Value Margin Deferral Account ("HVMDA") balances as of the end of the 2018/19 Gas Year in accordance with Directive 18 and the elimination of the HVMDA effective in the 2019/20 Gas Year in accordance with Directive 19.
- The continuation of the currently approved Late Payment Charge of 1.25% per Directive 25(d), which results in a reduction in Revenue of \$0.1 million (a reduction to Other Income under the Revenue Requirement presentation).

The above directives result in additional financial impacts in the 2019/20 Test Year beyond those identified in Order 152/19. Centra has included Schedule 4.0 which provides Centra's Projected Operating Statement filed with the March 22, 2019 Supplement, the financial impact of the directives in Order 152/19 on each line item of the operating statement, and the resulting operating statement amounts reflecting Order 152/19. These impacts are further discussed below.

As part of this filing and in support of its Revenue Requirement calculations, Centra has also included revised Tab 5 Figures to reflect the result of the directives in Order 152/19 (Schedules 3.0 to 3.7), compared to the March 22, 2019 Supplement Update.

The total reduction in Revenue as a result of Order 152/19 is \$4.2 million in 2019/20, which is equivalent to a 1.8% general revenue decrease. The bill impacts of this reduction on the various customer classes

are discussed later in this submission.

Meter Compliance Liability

In accordance with Directive 2(b), Centra has established a new Meter Compliance Liability regulatory deferral account in the amount of \$15.3 million related to internal labour costs associated with Centra's meter exchange program which were previously charged to Operating & Administrative expense between 2014/15 and 2018/19. In accordance with Directive 2(b), Centra will amortize the balance in this regulatory deferral account over three years, with amortization of \$5.114 million flowing through Net Movement in the 2019/20 Test Year, as shown in Schedules 4.0 and 3.7. Directive 2(b) also requires Centra to depreciate the Meter Testing net asset balance over 10 years. Accordingly, Depreciation & Amortization increases by \$2.125 million in the 2019/20 Test Year, as shown in Schedules 4.0 and 3.5.

As discussed further below, Directive 2(b) also impacts the Rate Base for the 2019/20 Test Year through changes in the Regulatory Deferral Account Balances and net Plant Assets.

Net Movement

As part of this submission, Centra has included Schedule 4.1 which identifies the additions/reversals in regulatory deferral account balances and amortization of these balances, consistent with the directives in Order 152/19. The following is a summary of the impacts to Net Movement:

- The decrease in the amortization period for the 2014 Depreciation Study deferral account from 34 years to five years, as per Directive 2(d), results in an increase to Net Movement of \$0.805 million, resulting in an equivalent reduction to revenue to be collected through customer rates.
- The decrease in the amortization period for the Updated Gas Meter Depreciation Rate deferral account from 20 years to five years, as per Directive 2(e), results in a decrease to Net Movement of \$0.289 million, resulting in an equivalent increase to revenue to be collected through customer rates.
- The decrease in the amortization period for the Asset Removal Costs and Asset Retirement Gains and Losses deferral account from 34 years to five years, as per Directive 2(f), results in a decrease to Net Movement of \$2.172 million, resulting in an equivalent increase to revenue to be collected through customer rates.
- As discussed above, the amortization of \$5.114 million related to the Meter Compliance Liability results in an increase in Net Movement, resulting in an equivalent reduction to revenue to be collected through rates.
- The discontinuation of the Ineligible Overhead deferral account results in a decrease in Net Movement of \$0.587 million, which is made up of \$0.7 million in additions and \$0.113 million in amortization no longer being recognized in 2019/20.
- The Finance Expense reduction per Directive 2(g) and the elimination of the HVMDA per Directive 19 impact forecast PGVA carrying costs, resulting in an increase to Net Movement of \$0.084 million.

The above changes result in an overall increase in Net Movement of \$2.9 million in the 2019/20 Test Year (resulting in an equivalent reduction to revenue required from rates), compared to Centra's March 22, 2019 Supplement, as indicated in Schedule 4.1.

As discussed further below, the above directives also impact the Rate Base for the Test Year through

changes in the Regulatory Deferral Account Balances.

Per Directive 6 of Order 152/19, the PUB approved the discontinuation of the accounting practice of recognizing a DSM Deferral Account and approved the write-off of the \$8.2 million accrued balance. On page 43 of its Order, the PUB also indicates that the disposition of the regulatory asset and liability will be reviewed at the next GRA. Centra would like to seek confirmation from the PUB whether the DSM deferral debit and credit balances can be written off effective March 31, 2020.

Furnace Replacement Program

In Directive 9, the PUB approved Centra's request to cease funding the Furnace Replacement Program ("FRP") through SGS customer rates effective November 1, 2019. As indicated in Schedule 4.0, Centra has included a total funding of \$0.933 million in 2019/20 to be collected through rates during the period April to October 2019, compared to the \$0.545 million included in the March 22, 2019 Supplement, an increase of \$0.387 million. Per Directive 10, Centra has also established a liability in the amount of \$17.7 million which is to be refunded to SGS customers on a volumetric basis over a one-year period commencing November 1, 2019.

The FRP refund amount of \$17.7 million has been included as liability in the Projected Balance Sheet in Schedule 1.0, and not as a regulatory liability as directed by the PUB. The FRP funding meets the recognition criteria of a liability under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and has been recognized as such since the inception of the FRP fund. IFRS 14 - *Regulatory Deferral Accounts* would only be applicable if the FRP funding did not meet the recognition criteria as an asset or liability under other IFRS Standards. Centra has calculated the FRP refund rider to be \$0.0259/m³, which will be included as a separate line item in SGS customer bills starting with the first billing cycle in November 2019.

As directed by the PUB, Centra will report on the remaining balance in the FRP liability and amounts refunded to customers as part of its monthly Purchased Gas Variance Account reporting to the PUB, starting with the report on November 2019 actuals.

Heating Value Margin Deferral Account ("HVMDA")

Centra anticipates that approximately \$1.6 million of uncollectable HVMDA balances will be written-off to Retained Earnings for rate-setting purposes in accordance with Directive 18. As identified in Schedule 4.0, this represents a reduction in Revenues and Cost of Gas of \$0.9 million (representing the fiscal year 2019/20 portion of the HVMDA balance that will not be collected through rate riders). This reduction results in a minor increase in Finance Expense (offset through Net Movement) as a result of changes in carrying costs.

Other Impacts

As indicated above, in addition to the reduction of \$0.350 million in Capital & Other Taxes to reflect a decrease in the estimate of property taxes per Directive 2(h), Capital Taxes are increasing by a net \$0.043 million, for a net decrease of \$0.307 million in 2019/20. This additional reduction is the result of changes in the base used for the determination of capital tax (i.e. indebtedness, short-term cash balances and retained earnings) as a result of the impact of the various directives on net income and

cash balances.

As indicated above, in addition to the reduction of \$0.664 million in Finance Expense per Directive 2(g), Finance Expense is decreasing by an additional \$0.024 million, for a net decrease of \$0.688 million in 2019/20. This additional reduction reflects the impacts to carrying costs noted above, as well as the net income impact (and therefore change in cash requirements and interest on those cash requirements) arising from the \$2.550 million reduction to O&A per Directive 2(a), the increase in the FRP funding of \$0.387 million, and the \$4.2 million revenue reduction in 2019/20.

Revenue Requirement

Centra adjusted its Revenue Requirement/Cost of Service for the 2019/20 Test Year, as directed by the PUB in Order 152/19. As presented in Schedule 2.0, the revised Revenue Requirement for the 2019/20 Test Year is \$318.1 million, which includes \$172.8 million related to the estimated fiscal year gas costs and \$145.3 million related to non-gas revenue requirement (including FRP funding). The Revenue Requirement is consistent with the revised 2019/20 Test Year Financial Statements discussed above, after reclassification of the Net Movement account into the applicable line items, and forms the basis of the Cost Allocation Study as discussed further in this submission. The revised Revenue Requirement is \$4.6 million lower than the applied for Revenue Requirement of \$322.7 included in Centra's March 22, 2019 Supplement Update, which is summarized in Schedule 2.0.

For completeness of the record, Centra has also provided Schedule 2.1 which includes the financial statement presentation of total Revenue Requirement (i.e. before the re-classification of the Net Movement account into the applicable line items).

Rate Base Rate of Return

Schedule 6.0.0 identifies the revised Rate Base for the 2019/20 Test Year of \$642.5 million. The Rate Base decreased by \$3.1 million, from the \$645.6 million approved at page 52 of Order 152/19. As discussed above, the directives from Order 152/19 impact the Rate Base for the Test Year through changes in the Regulatory Deferral Account Balances, Net Plant and Working Capital, as shown in Schedules 6.1.8, 6.3.8, 6.5.8, and 6.7.8.

Centra's Net Plant balances have increased to reflect the additions (\$21.225 million) and accumulated depreciation (\$5.888 million) related to the Meter Testing asset at March 31, 2019, as well as amortization of the Meter Testing asset of \$2.125 million in 2019/20. Cash working capital decreased by approximately \$0.4 million as a result of the changes in the various components of revenue requirement. The Regulatory Deferral Account Balances decreased by approximately \$16.4 million, as a result of the changes in amortization periods, the establishment of a new Meter Compliance Liability, and the elimination of the Ineligible Overhead deferral account.

Centra has included revised calculations of the Return on Rate Base (Schedules 6.8.8 to 6.10.8), which reflects a Rate of Return of 5.78% (compared to a Rate of Return of 5.92% in the March 22, 2019 Supplement) and an embedded Return on Equity of 8.30% as included in Centra's GRA. Centra would like to seek confirmation from the PUB that the resulting Rate of Return of 5.78% can be used in feasibility tests for expansions of natural gas service to customers until further Order of the PUB.

Cost Allocation and Rate Matters

For purposes of Cost Allocation and Rate Design, Centra has incorporated in its rate determination a total Revenue Requirement of \$329.3 million, per Schedules 10.1.0 through 10.1.5. This includes a total forecast of 2019/20 Gas Year gas costs of \$184.9 million as approved in Order 152/19, and non-gas costs of \$144.3 million (which excludes the FRP funding of \$0.933 million from April through October, 2019). The following table provides a reconciliation of the 2019/20 Revenue Requirement outlined in Schedule 2.0 and the Revenue Requirement included in the 2019/20 Cost Allocation Study (Schedules 10.1.0 through 10.1.5).

Figure 1: Revenue Requirement vs. Cost Allocation Reconciliation

2019/20 Test Year (\$000's)

	2019/20 TY October 25, 2019 Order 152/19 Revenue Requirement	2019/20 TY July 24, 2019 Pre-Hearing update Cost Allocation	2019/20 TY October 25, 2019 Order 152/19 Cost Allocation	Changes reflecting Order 152/19 Cost Allocation
Cost of Gas	172,767	184,961	184,961	-
Other Income*	(2,255)	(1,190)	(1,079)	111
Operating & Administrative	58,700	60,550	58,700	(1,850)
Depreciation & Amortization *	32,033	32,350	30,904	(1,446)
Capital & Other Taxes	20,004	20,312	20,004	(307)
Finance Expense	20,831	21,603	20,831	(772)
Other Expenses**	46	-	-	-
Corporate Allocation	12,000	12,000	12,000	-
Furnace Replacement Program	933	-	-	-
Net Income (Loss)	3,000	2,894	3,000	106
Total Cost of Service	<u>318,059</u>	<u>333,480</u>	<u>329,321</u>	<u>(4,159)</u>
2019/20 Total Cost of Service (Order 152/19)	318,059			
Less 2019/20 Fiscal Year Cost of Gas	(172,767)			
Add 2019/20 Gas Year Cost of Gas	184,961			
Furnace Replacement Program	(933)			
2019/20 Costs Allocation (Sch. 10.1.0)	<u>329,321</u>			

*In Centra's Cost Allocation Study the Amortization of Customer Contributions in the amount of \$1,130 is grouped with Depreciation and Amortization. For financial statements purposes the Amortization of Customer Contribution is included in Other Income.

**For Centra's Cost Allocation Study the Other Expenses have been netted with Other Income.

The figure below compares the allocation of the 2019/20 non-gas costs of \$144.3 to the various rate classes to non-gas costs of \$148.5 million from the July 24, 2019 Pre-Hearing Update.

Figure 2: Comparison of Non-Gas Costs by Customer Class (\$000s)

	2019/20 TY July 24, 2019 Pre-Hearing Update	2019/20 TY Oct 25, 2019 Compliance Filing	Increase/ (Decrease)
SGS	102,604	99,131	(3,473)
LGS	32,286	31,936	(349)
High Volume Firm	6,889	6,735	(154)
Co-op	8	8	(0)
Mainline	2,052	1,997	(55)
Special Contract	2,278	2,223	(55)
Power Stations	198	187	(11)
Interruptible	779	761	(18)
Primary Gas			
Supplemental Firm			
Supplemental Interruptible			
Fixed Rate Primary Gas	14	14	0
Total Non-Gas Cost of Service	148,519	144,360	(4,159)

As reflected in the figure above, non-gas costs decreased by approximately \$4.2 million relative to Centra’s July 24, 2019 Pre-Hearing Update. All customer classes will experience a decrease in their allocated portion of non-gas costs compared to Centra’s July 24, 2019 Pre-Hearing Update.

Non-Primary Gas Rate Riders and Heating Value Margin Deferral Account

The Heating Value Margin Deferral Account (“HVMDA”) balance provided as part of the Pre-Hearing Update on July 24, 2019 reflected actuals up to March 31, 2019 and forecasted balances for the remaining months of the 2018/19 Gas Year (including carrying costs). With the elimination of the HVMDA effective November 1, 2019, pursuant to Directive 19, any residual balance remaining in the HVMDA at the end of the 2019/20 Gas Year will not flow into a future “prior period” PGVA to be either refunded to, or collected from, customers as will be the case with the other non-Primary Gas PGVA balances. In order to minimize uncollected residual amounts from prior periods related to the HVMDA that would need to be written off, Centra has updated the HVMDA balance to include actuals up to September 30, 2019 and a forecast (with carrying costs) for October 2019 as shown in updated Schedule 8.10.5 (filed with the Pre-Hearing Update).

As indicated in Schedule 8.10.5, the projected balance in the 2018/19 Gas Year HVMDA has increased by \$ [redacted] owing to Centra compared to the balance provided as part of the Pre-Hearing Update. Centra’s has calculated its rate riders effective November 1, 2019 to incorporate the updated balance in the HVMDA.

Figure 3 below provides the non-Primary Gas PGVA balance refundable to customers in Centra’s July 24, 2019 Pre-Hearing Update (\$21.3 million), the non-Primary Gas PGVA balance updated for the increase in the HMVDA balance owing to Centra as discussed above (\$21.1 million), and the balance included in the determination of the non-Primary Gas rate riders reflecting the directives from Order 152/10 and shown in Schedule 11.3.1 (\$22.7 million).

Figure 3: Summary of Oct 31, 2019 Non-Primary Gas Deferral Balances reflecting Order 152/19

	(A) July 24, 2019 Pre-hearing Update	(B) October 25, 2019 Updated HVMDA	(C) October 25, 2019 Reflecting Order 152/19	(C-B) HV residual	
Prior Period Non-Primary Gas Costs Deferral				(90,490)	1e
Supplemental PGVA				0	1e
Transportation PGVA	13,988,278	13,988,278	13,988,278	0	
Distribution PGVA	(4,232,008)	(4,232,008)	(4,232,008)	0	
Capacity Management	(21,506,060)	(21,506,060)	(21,506,060)	0	
Heating Value				(1,520,608)	1e
Total (Schedule 11.3.1 line 18)	(21,337,277)	(21,057,339)	(22,668,437)	(1,611,098)	

Assuming normal weather, the rate riders in Schedule 11.3.1 reflect the refund to customers of a net balance of \$22.7 million. This is \$1.6 million higher than the updated non-Primary Gas PGVA balance of \$21.1 million and represents the balance in the HVMDA that will remain uncollected as a result of the change in methodology for the disposition of the prior period HVMDA balances, as directed by the PUB.

In accordance with Directive 18 of Order 152/19, the balances in the HVMDA through to the end of the 2018/19 Gas Year are to be collected from customer classes on the basis of class non-gas volumetric revenues, except where this change in methodology would result in customer classes paying more than they otherwise would have under Centra’s current volume-based methodology. Consistent with the PUB’s directive, Centra will be implementing rate riders to collect the prior period HVMDA balances from all customer classes on the basis of class non-gas volumetric revenue, except for the SGS customer class who will be allocated their portion of the HVMDA balance in accordance with Centra’s existing methodology based on class volumes.

The Figure below provides the summary of HVMDA costs to be recovered from each customer class, as well as the balance that will remain uncollected from customers in accordance with Order 152/19.

Figure 4: Heating Value Margin Deferral Account by customer class reflecting Order 152/19

	Total	SGS	LGS	HVE	ML	INT	SC	PS
HV allocated on the basis of customer class volume								
HV allocated on the basis of class non-gas volumetric revenue								
HV (incl carrying costs) allocated reflecting Order 152/19								
HVMD Account Balance (incl carrying costs) updated for actuals up to Sep 2019								
HVMDA Residual Balance (uncollected from customers as per Order 152/19)	-1,611,098							

For the PUB’s information, Centra has included as Appendix V, Rate Schedules and customer bill impact schedules that reflect the balance in the HVMDA provided in the Pre-Hearing Update (i.e. actuals to March 31, 2019 with a forecast for April to October 2019). The Schedules in Appendix V reflect the same allocation methodology discussed above, whereby only the SGS customer class is allocated their portion of the HVMDA balance in accordance with Centra’s existing methodology based on class volumes.

Overhead Rates and Primary Gas Rate Impacts

Centra is also enclosing an updated Schedule 1.1.0 to Centra's Primary Gas Rate Application which includes the new Primary Gas Overhead Rate of \$0.95 per 10^3m^3 , recalculated based on the amended Revenue Requirement per Schedule 10.1.2. The minor change to the Primary Gas Overhead Rate does not impact the Primary Gas Rate for November 1, 2019 and as a result, the rate remains at \$0.0910/ m^3 as per Centra's November 1, 2019 Primary Gas Rate Application.

The non-gas components within the Supplemental Gas rates have also been updated. The Firm Supplemental gas overhead component is updated to \$1.49/ 10^3m^3 and the Interruptible Supplemental gas overhead component is updated to \$1.50/ 10^3m^3 .

As indicated in Schedule 10.1.2, the Fixed-Rate Primary Gas Service Program Cost Rate has been updated to \$24.28 per 10^3m^3 . This Program Cost Rate will be used in Centra's Fixed-Rate Primary Gas Service offering for gas to flow on February 1, 2020 and will be applied to each future offerings until further Order of the PUB.

Rate Schedules

Centra has included revised Rate Schedules for November 1, 2019, as shown on Schedule 11.2.1, pages 1 to 4. The attached Rate Schedules reflect all adjustments flowing from Order 152/19, as well as the proposed Primary Gas Rates for November 1, 2019.

Note 2 of the Rate Schedules in Schedule 11.2.1 identify the FRP refund rider of \$0.0259/ m^3 . This rider will appear as a separate line item on the bill of SGS customers beginning November 1, 2019.

Bill Impacts – November 1, 2019

Schedule 11.1.0 provides the bill Impacts for all customer classes reflecting the adjustments to rates made in accordance with Order 152/19. The impact to the typical residential customer of the proposed billed rates as a result of Order 152/19, including the Primary Gas rate change, is a decrease of approximately 18.7%, or \$127, on an annual basis. This combined annual impact for the typical residential customer reflects the bill decrease associated with the FRP refund of 8.5%, or \$57. Figure 5 below summarizes the combined impact of the proposed billed rates for larger volume sales service customers as a result of Order 152/19 and the Primary Gas billed rate (the details of which are provided on page 1 of Schedule 11.1.0). Figure 6 below summarizes annual bill impacts of the proposed billed rates for the Transportation Service (T-Service) customers (the details of which are provided on page 1 of Schedule 11.1.0).

Figure 5: Annual Bill Impacts of the Proposed Billed Rates for Sales Service Customers by Customer class

2019/20 Test Year			Annual Impacts Billed Rates	
Customer Class	Consumption (10 ³ M ³)	Load Factor	\$ Impact	% Change
SGS	1.0		(\$57)	-14.4%
	2.2		(\$127)	-18.7%
	11.3		(\$647)	-23.4%
LGS	11.3		(\$99)	-3.4%
	679.9		(\$5,930)	-4.9%
HVF	850	25%	(\$11,535)	-7.1%
	12,600	75%	(\$390,263)	-22.6%
Mainline	41,000	75%	(\$747,373)	-14.3%
	2,833	40%	(\$105,970)	-22.8%
Interruptible	850	25%	(\$8,578)	-6.5%
	14,164	75%	(\$286,228)	-16.5%

Figure 6: Annual Bill Impacts of the Proposed Billed Rates for T-Service Customers by Customer Class

2019/20 Test Year			Annual Impacts Billed Rates	
Customer Class	Consumption (10 ³ M ³)	Load Factor	\$ Impact	% Change
HVF (T-Service)	2,600	75%	\$5,749	11.6%
	17,600	40%	\$66,489	18.5%
Mainline (T-Service)	14,000	75%	(\$3,410)	-2.4%
	44,000	40%	\$138,031	21.1%
Special Contract	[REDACTED]			
Power Stations	[REDACTED]			

2d

The bill impacts of the proposed base rates are shown on Schedule 11.1.0 attached. The impact to the typical residential customer of the proposed base rates as a result of Order 152/19, including the Primary Gas rate change, is a decrease of approximately 6.0%, or \$40, on an annual basis. Centra notes that the base rate bill impacts to the Special Contract Customer class (a [REDACTED]) are higher compared to the billed rate impacts (a [REDACTED]) as a result of Directive 18 of Order 152/19 to change the methodology for the allocation of the prior period balances in the HVMDA to be based on non-gas volumetric revenues. As a result of this methodology change, the Special Contract Customer class will receive a refund of \$ [REDACTED] (related to Unaccounted For Gas), as shown on Schedule 11.3.1.

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Terms and Conditions of Service

Centra is enclosing as Appendix I through IV, the revised Schedule of Sales and Transportation Services and Rates ("Ts & Cs") for PUB approval. The revised Ts & Cs reflect the PUB directives in Order 152/19, specifically:

- The addition of Atmospheric Pressure Zone 5 to the Ts & Cs that was approved on an interim basis in Order 48/19.
- PUB approved Company Labour Charges (Appendix B to the Ts & Cs), per Directive 25.
- PUB approved reconnection fees and meter test fees, per Directive 25.
- The addition of Appendix C to the Ts & Cs, which contains details on the PUB approved Transportation Service balancing fee structure and associated daily and cumulative tolerances,

per Directive 25(b). As directed by the PUB, Centra has set the absolute daily and cumulative balancing tolerances at twice the level originally proposed.

- Updated references to “National Energy Board of Canada” with “Canada Energy Regulator” and other clerical changes as accepted by the PUB on page 119 of Order 152/19.

Further to the comments of the PUB at page 111 of Order 152/19, Centra has been undertaking communications with each of its Transportation Service customers and nominating agents where applicable in the past two weeks to assist in their understanding of the application of the new balancing fee structure and tools or approaches to mitigate balancing fees. Centra will also provide detailed information to customers showing the calculation of the balancing fees once implemented, as part of the customer bill.

Appendix I and II include both a black-lined and a clean version of the document, tracking changes from the current approved Ts & Cs. The updated Ts & Cs, including Appendix B and Appendix C, will be uploaded to Manitoba Hydro’s website once a final Order with respect to this Compliance Filing is issued by the PUB.

Centra’s Compliance Filing contains commercially sensitive information throughout and is being filed in confidence with the PUB only.

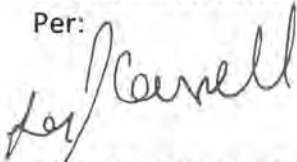
Centra is providing this compliance filing as directed in Order 152/19 without prejudicing its right to Review and Vary or appeal any portion of Order 152/19.

In order to implement the new rates effective with the first billing cycle in November, Centra respectfully requests approval of the attached schedules by October 30, 2019. If you have any questions or require clarification with respect to this submission, please contact the writer at 204-360-3257 or Liz Carriere at 204-360-3591.

Yours truly,

MANITOBA HYDRO LEGAL SERVICES DIVISION

Per:



BRENT A. CZARNECKI
Barrister & Solicitor

cc: Rachel McMillin, Assistant Associate Secretary
Bob Peters, Board Counsel
Dayna Steinfeld, Board Counsel

Centra Gas Manitoba Inc.
2019/20 General Rate Application - Compliance Filing
Schedule and Appendix Index - Reflecting Order 152/19
October 25, 2019

Schedule/ Appendix Number	Schedule/Appendix Name
1.0	2019/20 Test Year Projected Financial Statements - Order 152/19 v.s March 22, 2019 Supplement
2.0	Summary of Revenue Requirement (Rate-Setting Presentation) 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
2.1	Summary of Revenue Requirement (Financial Statement Presentation) 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
2.2	Reconciliation of Cost of Service Line Items 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.0	Statement of Income 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.1	Gas Revenue by Customer Class 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.2	Cost of Gas Sold by Customer Class 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.3	Operating & Administrative Expense 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.4	Finance Expense 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.5	Depreciation & Amortization Breakdown 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.6	Capital and Other Taxes Breakdown 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
3.7	Net Movement 2019/20 Test Year - Order 152/19 v.s March 22, 2019 Supplement
4.0	Impact of PUB Order 152/19 Directives on Projected Operating Statement
4.1	Net Movement Functionalized Variance
6.0.0	Summary of Rate Base Rate of Return - 2019/20 Test Year
6.1.8	Utility Plant Continuity Schedule - 2019/20 Test Year
6.3.8	Accumulated Depreciation Continuity Schedule - 2019/20 Test Year
6.5.8	Regulated Deferrals Continuity Schedule - 2019/20 Test Year
6.7.8	Working Capital Allowance - 2019/20 Test Year
6.8.8	Overall Rate of Return - 2019/20 Test Year
6.9.8	Cost of Long Term Debt - 2019/20 Test Year
6.10.8	Return on Rate Base - 2019/20 Test Year
8.10.5	Heating Value Margin Deferral Account - 2018/19 Gas Year
10.1.0	Summary of Allocated Costs by Customer Class
10.1.1	Unit Cost Component Summary
10.1.2	Comparison of Gas Costs vs. Non-Gas Costs
10.1.3	Functionalization by Customer Class
10.1.4	Allocation Results of Rate Base
10.1.5	Allocation Results of Cost of Service Elements
11.1.0	Bill Impact Comparison
11.2.0	August 1, 2019 Approved Rates
11.2.1	November 1, 2019 Proposed Rates
11.3.1	2019/20 Proposed Rate Riders
11.4.0	Non-Gas & Gas Components of Base Rates - Approved Base Rates
11.4.1	Non-Gas & Gas Components of Base Rates - Proposed Base Rates
1.1.0	Calculation of Weighted Average Primary Gas Cost (Revised from October 11, 2019 Primary Gas Application)
Appendix I	Schedules of Sales and Transportation Service Rates (Ts & Cs) - Black-lined Copy
Appendix II	Schedules of Sales and Transportation Service Rates (Ts & Cs) - Clean Copy
Appendix III	Terms & Conditions of Service Appendix B – Company Labour Charges
Appendix IV	Terms & Conditions of Service Appendix C – Balancing Fees Schedule
Appendix V	Schedules 11.1.0, 11.2.1 and 11.3.1 (Reflecting Pre-Hearing Update HVMDA Balance)

GAS OPERATIONS
PROJECTED OPERATING STATEMENT
(In Thousands of Dollars)

	Order 152/19	Mar 22, 2019 Supplement	Total Increase / (Decrease)
For the year ended March 31			
2020			
REVENUES			
Domestic Revenue			
Cost of Gas	172,767	173,667	(900)
Non-Gas Costs *	149,451	149,064	387
Furnace Replacement Program Funding	(933)	(545)	(387)
Late Payment Charges and Broker Revenue	525	636	(111)
	<u>321,810</u>	<u>322,821</u>	<u>(1,011)</u>
additional revenue requirement***	(4,159)	-	(4,159)
	<u>317,652</u>	<u>322,821</u>	<u>(5,170)</u>
Weighted Average Cost of Gas Sold **	<u>172,767</u>	<u>173,667</u>	<u>(900)</u>
Gross Margin	144,885	149,155	(4,270)
Other	1,729	1,729	-
	<u>146,614</u>	<u>150,884</u>	<u>(4,270)</u>
EXPENSES			
Operating and Administrative	58,700	61,250	(2,550)
Finance Expense	21,866	22,554	(688)
Depreciation and Amortization	27,598	25,474	2,125
Capital and Other Taxes	16,811	17,119	(307)
Other Expenses	10,674	10,674	-
Corporate Allocation	12,000	12,000	-
	<u>147,649</u>	<u>149,070</u>	<u>(1,421)</u>
Net Income before Net Movement in Regulatory Deferral	(1,035)	1,814	(2,849)
Net Movement in Regulatory Balances **	4,035	1,080	2,955
Net Income	<u>3,000</u>	<u>2,894</u>	<u>106</u>

* The Non-Gas Costs reflect the proposed discontinuance of FRP funding and removal of associated costs from rates for the SGS class

** The adjusted gross margin reflects the cost of gas charged to customer through rates (WACOG). The PGVA has been reclassified to the gross margin from net movement for rate setting purposes.

*****Additional Revenue Requirement**

Percent Decrease	-1.80%	0.00%
Cumulative Percent Increase	-1.80%	0.00%

**GAS OPERATIONS
PROJECTED BALANCE SHEET
(In Millions of Dollars)**

	Order 152/19	Mar 22, 2019 Supplement	Total Increase / (Decrease)
<i>For the year ended March 31</i>			2020
ASSETS			
Plant in Service	679,034	657,809	21,225
Accumulated Depreciation	(86,891)	(78,883)	(8,008)
Net Plant in Service	592,143	578,925	13,217
Construction in Progress	8,802	8,802	-
Current and Other Assets	84,628	84,628	-
Goodwill and Intangible Assets	9,164	9,164	-
Total Assets before Regulatory Deferral	694,737	681,519	13,217
Regulatory Deferral Balance	100,689	107,072	(6,383)
	795,425	788,591	6,834
LIABILITIES AND EQUITY			
Long-Term Debt	429,903	419,903	10,000
Current and Other Liabilities	95,355	103,712	(8,357)
Deferred Revenue	48,502	48,502	-
Share Capital	121,250	121,250	-
Retained Earnings	78,059	82,919	(4,860)
Total Liabilities and Equity before Regulatory Deferral	773,069	776,286	(3,217)
Regulatory Deferral Balance	22,356	12,306	10,051
	795,425	788,591	6,834

GAS OPERATIONS
PROJECTED INDIRECT CASH FLOW STATEMENT
(In Millions of Dollars)

	Order 152/19	Mar 22, 2019 Supplement	Total Increase / (Decrease)
			2020
For the year ended March 31			
OPERATING ACTIVITIES			
Net Income	3,000	2,894	106
Add Back:			
Depreciation and Amortization	27,598	25,474	2,125
Finance Expense	21,866	22,554	(688)
Net Movement Impacts on Depreciation and Finance Expense	6,594	10,248	(3,655)
Adjustments for Non-Cash Items	10,870	10,870	-
Adjustments for Changes in Non-Cash Working Capital Accounts	(27,820)	(15,356)	(12,464)
Interest Paid	(33,545)	(34,103)	558
Cash Provided by Operating Activities	8,563	22,581	(14,018)
FINANCING ACTIVITIES			
Proceeds from Long-Term Debt	60,000	50,000	10,000
Retirement of Long-Term Debt	(20,000)	(20,000)	-
Cash Provided by Financing Activities	40,000	30,000	10,000
INVESTING ACTIVITIES			
Additions to Property, Plant and Equipment	(46,901)	(46,901)	-
Additions to Intangible Assets	(265)	(265)	-
Additions to Regulatory Deferral Balances	(12,431)	(13,131)	700
Contributions Received	2,593	2,593	-
Cash Used for Investing Activities	(57,004)	(57,704)	700
Net Increase (Decrease) in Cash	(8,441)	(5,123)	(3,318)
Cash at Beginning of Year	(27,980)	(28,032)	52
Cash at End of Year	(36,421)	(33,155)	(3,266)

CENTRA GAS MANITOBA INC.
Summary of Revenue Requirement
For Rate Setting Purposes
(\$000'S)

Schedule 2.0
Reflecting Order 152/19
October 25, 2019

	IFRS	
	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6		
7	173,667	172,767
8		
9	(2,366)	(2,255)
10		
11	60,550	58,700
12		
13	33,480	32,033
14		
15	20,312	20,004
16		
17	21,603	20,831
18		
19	46	46
20		
21	12,000	12,000
22		
23	545	933
24		
25	2,894	3,000
26		
27	<u>322,730</u>	<u>318,059</u>
28		
29	173,667	172,767
30		
31	<u>149,064</u>	<u>145,293</u>
32		
33	-2.7%	-5.1%
34		
35	<i>Reconciliaiton to Revenue:</i>	
36	322,730	318,059
37	(545)	(933)
38	636	525
39	<u>322,821</u>	<u>317,652</u>

CENTRA GAS MANITOBA INC.
Summary of Revenue Requirement
Based on the Statement of Income
(\$000'S)

Schedule 2.1
Reflecting Order 152/19
October 25, 2019

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6		
7	173,667	172,767
8		
9	545	933
10		
11	(2,366)	(2,255)
12		
13	61,250	58,700
14		
15	25,474	27,598
16		
17	17,119	16,811
18		
19	22,554	21,866
20		
21	10,674	10,674
22		
23	12,000	12,000
24		
25	(1,080)	(4,035)
26		
27	2,894	3,000
28		
29	<u>322,730</u>	<u>318,059</u>
30		
31	173,667	172,767
32		
33	<u>149,064</u>	<u>145,293</u>
34		
35	-2.7%	-5.1%
36		
37	<i>Reconciliaiton to Revenue:</i>	
38	322,730	318,059
39	(545)	(933)
40	636	525
41	<u>322,821</u>	<u>317,652</u>

CENTRA GAS MANITOBA INC.
Reconciliation of Cost of Service Line Items
Reclassification of Net Movement

Schedule 2.2
Reflecting Order 152/19
October 25, 2019
(\$000'S)

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5	Total Net Movement (IFRS)	1,080 4,035
6		
7	Operating & Administration (IFRS)	61,250 58,700
8	Additions/Reversals:	
9	Deferred ineligible overhead	(700) -
11	Operating & Administration (Rate Setting)	60,550 58,700
12		
13		
14	Other Expenses (IFRS)	10,674 10,674
15	Additions/Reversals:	
16	Demand Side Management programs	(8,483) (8,483)
17	Site restoration	- -
18	Regulatory costs	(2,145) (2,145)
19	Other Expenses (Rate Setting)	46 46
20		
21		
22	Depreciation & Amortization (IFRS)	25,474 27,598
23	Additions/Reversals:	
24	Loss on disposal of assets	(1,803) (1,803)
25	Change in depreciation method	(2,389) (2,389)
26	Change in depreciation rate - meters	- -
27	Impact of 2014 depreciation study	- -
27	Meter Compliance liability	- -
28		(4,192) (4,192)
29	Amortization:	
30	Demand Side Management programs	9,946 9,946
31	Site restoration	314 314
32	Regulatory costs	1,493 1,493
33	Loss on disposal of assets	374 2,546
34	Change in depreciation method	- -
35	Deferred ineligible overhead	113 -
36	Change in depreciation rate - meters	96 386
37	Impact of 2014 depreciation study	(139) (944)
38	Meter Compliance liability	- (5,114)
39		12,198 8,627
40		
41	Depreciation & Amortization (Rate Setting)	33,480 32,033
42		
43		
44	Capital & Other Taxes (IFRS)	17,119 16,811
45	Amortization:	
46	Deferred income taxes amortization	3,193 3,193
47	Capital & Other Taxes (Rate Setting)	20,312 20,004
48		
49		
50	Finance Expense (IFRS)	22,554 21,866
51	Additions:	
52	Deferred income taxes carrying costs	(1,389) (1,389)
53	PGVA carrying costs	438 354
54	Finance Expense (Rate Setting)	21,603 20,831
55		
56		
57	Total Net Movement (Rate Setting)	- -

CENTRA GAS MANITOBA INC.
Statement of Income
(\$000's)

Schedule 3.0
Reflecting Order 152/19
October 25, 2019

	IFRS	
	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	Revenues	
7	Revenue at Approved Rates	322,821 321,810
8	Additional Revenue Required	- (4,159)
9		<u>322,821 317,652</u>
10	Cost of Gas*	<u>173,667 172,767</u>
11	Gross Margin	149,155 144,885
12	Other Income	1,729 1,729
13		<u>150,884 146,614</u>
14		
15	Expenses	
16	Operating & Administrative	61,250 58,700
17	Finance Expense	22,554 21,866
18	Depreciation & Amortization	25,474 27,598
19	Capital & Other Taxes	17,119 16,811
20	Other Expenses	10,674 10,674
21	Corporate Allocation	12,000 12,000
22		<u>149,070 147,649</u>
23		
24	Net Income before Net Movement in Regulatory Balances	1,814 (1,035)
25		
26	Net Movement in Regulatory Balances*	1,080 4,035
27		
28	Net Income	<u>2,894 3,000</u>
29		

30 * Reflects the cost of gas charged to customer through rates (WACOG). The PGVA has been reclassified to the gross margin from net movement for rate setting purposes.

CENTRA GAS MANITOBA INC.**Revenue by Class****(\$000'S)****Schedule 3.1****Reflecting Order 152/19****October 25, 2019**

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	174,432	174,432
7	27,512	27,512
8	103,706	103,706
9	28,531	28,531
10	2,221	2,221
11	6,284	6,284
12	1,737	1,737
13		
14	344,423	344,423
15		
16	Other:	
17	Late Payment Charge**	619 507
18	Broker Revenue**	18 18
19	Misc Revenue from Non Metered Gas**	- -
20	Cost of Gas Adjustment	(7,769) (7,769)
21	Rate Rider Amortization	(14,469) (15,369)
22	Additional Revenue	- (4,159)
23		
24	Total Revenue	322,821 317,652
25		

26 * The SGS Residential and Commercial revenue is net of amounts received for FRP funding.

27 ** Moved from Other Income under IFRS

CENTRA GAS MANITOBA INC.**Schedule 3.2****Cost of Gas Sold****Reflecting Order 152/19****(\$000'S)****October 25, 2019**

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	79,926	79,926
7	14,931	14,931
8	72,831	72,831
9	22,005	22,005
10	732	732
11	5,366	5,366
12	115	115
13	-	-
14		
15	<u>195,905</u>	<u>195,905</u>
16		
17	Other:	
18	Cost of Gas Adjustment	(7,769)
19	Rate Rider Amortization	(15,369)
20		
21	<u>173,667</u>	<u>172,767</u>
22		

CENTRA GAS MANITOBA INC.
Operating & Administrative Expense Program Costs
(\$000'S)

Schedule 3.3
Reflecting Order 152/19
October 25, 2019

	2019/20 July 24, 2019 Pre- Hearing Update	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	31,288	30,044
7	16,055	15,417
8	16,816	16,147
9	64,159	61,609
10		
11	(2,909)	(2,909)
12		
18	61,250	58,700
19		

CENTRA GAS MANITOBA INC.
Finance Expense
(\$000'S)

Schedule 3.4
Reflecting Order 152/19
October 25, 2019

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	15,398	15,261
7	3,899	3,899
8	-	-
9	1,073	720
10	213	213
11	1,220	1,220
12	125	125
13	(237)	(237)
14	862	664
15	-	-
16		
17	22,554	21,866
18		

CENTRA GAS MANITOBA INC.
Depreciation and Amortization Expense
(\$000'S)

Schedule 3.5
Reflecting Order 152/19
October 25, 2019

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	Intangible Assets	
7	1	1
8	127	127
9	-	-
10	555	555
11	<u>684</u>	<u>684</u>
12	Transmission Plant	
13	-	-
14	17	17
15	1	1
16	2,457	2,457
17	365	365
18	44	44
19	595	595
20	-	-
21	-	-
22	<u>3,480</u>	<u>3,480</u>
23	Distribution Plant	
24	-	-
25	22	22
26	129	129
27	4,750	4,750
28	1,069	1,069
29	3,211	3,211
30	1,297	1,297
31	246	246
32	303	303
33	154	2,279
34	3,368	3,368
35	251	251
36	-	-
37	-	-
38	-	-
39	-	-
40	-	-
41	<u>14,800</u>	<u>16,924</u>
42	General Plant	
43	-	-
44	160	160
45	-	-
46	-	-
47	-	-
48	<u>160</u>	<u>160</u>
49		
50	<u>1,803</u>	<u>1,803</u>
51		
52	<u>4,547</u>	<u>4,547</u>
53		
54		
55		
56		
57		
58		
59	<u>-</u>	<u>-</u>
60		
61		
62		
63		
64		
65		
66		
67	<u>25,474</u>	<u>27,598</u>
68		

* Reclassified from Depreciation & Amortization to Other Income under IFR!

** Previously recorded in Accumulated Depreciation under CGAAI

*** Reclassified from Depreciation & Amortization to Net Movement under IFR!

CENTRA GAS MANITOBA INC.
Capital and Other Taxes
(\$000'S)

Schedule 3.6
Reflecting Order 152/19
October 25, 2019

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5		
6	3,286	3,329
7	12,900	12,550
8	840	840
9	93	93
10	-	-
11	-	-
12		
13	<u>17,119</u>	<u>16,811</u>
14		

* Reclassified from Capital and Other Taxes to Net Movement under IFRS

CENTRA GAS MANITOBA INC.
Net Movement in Regulatory Deferral Accounts
(\$000'S)

Schedule 3.7
Reflecting Order 152/19
October 25, 2019

	2019/20 March 22, 2019 Supplement	2019/20 Order 152/19
1		
2		
3		
4		
5	Additions to regulatory deferral accounts	
6	8,483	8,483
7	1,389	1,389
8	-	-
9	2,145	2,145
10	1,803	1,803
11	2,389	2,389
12	700	-
13	-	-
14	-	-
15	(438)	(354)
16	<u>16,471</u>	<u>15,854</u>
17		
18	Amortization of regulatory deferral accounts	
19	9,946	9,946
20	3,193	3,193
21	314	314
22	1,493	1,493
23	374	2,546
24	113	-
25	96	386
26	(139)	(944)
27	-	(5,114)
28	<u>15,391</u>	<u>11,820</u>
29		
30	<u>1,080</u>	<u>4,035</u>
31		

*Net movement in regulatory deferral balances is net of PGVA

IMPACT OF PUB ORDER 152/19 DIRECTIVES ON FINANCIAL STATEMENTS
(In Thousands of Dollars)

Schedule 4.0
Reflecting Order 152/19
October 25, 2019

Mar 22, 2019 Supplement	Directive 2b		Directive 2c		Directive 2d	Directive 2e	Directive 2f	Directive 2g	Directive 2h	Directive 2i	Directive 10	Directive 18	Directive 25d	Total Increase / (Decrease)	Order 152/19	
	Directive 2a OMA	Meter Compliance	Ineligible OH	Study Reg. Deferral	Meter Depr. Rates Reg. Deferral	Asset removal costs Reg. Deferral	Finance Expense Reduction	Property Tax Reduction	Annual Net Income	Furnace Replacement Pgm. Refund	HVMDA Disallowed Receivable	Late Payment Charge 1.25%	Rounding			
For the year ended March 31	2020															
REVENUES																
Domestic Revenue																
Cost of Gas	173,667	-	-	-	-	-	-	-	-	-	-	(900)	-	0	(900)	172,767
Non-Gas Costs	149,064	-	-	-	-	-	-	-	-	-	387	-	-	-	387	149,451
Furnace Replacement Program Funding	(545)	-	-	-	-	-	-	-	-	-	(387)	-	-	-	(387)	(933)
Late Payment Charges and Broker Revenue	636	-	-	-	-	-	-	0	-	(7)	-	(2)	(103)	0	(111)	525
	<u>322,821</u>	-	-	-	-	-	-	0	-	(7)	(0)	(902)	(103)	0	(1,011)	<u>321,810</u>
additional revenue requirement	-	-	-	-	-	-	-	-	-	(4,159)	-	-	-	-	(4,159)	(4,159)
	<u>322,821</u>	-	-	-	-	-	-	0	-	(4,165)	(0)	(902)	(103)	0	(5,170)	<u>317,652</u>
Weighted Average Cost of Gas Sold *	173,667	-	-	-	-	-	-	-	-	-	-	(900)	-	0	(900)	172,767
Gross Margin	149,155	-	-	-	-	-	-	0	-	(4,165)	(0)	(2)	(103)	0	(4,270)	144,885
Other	1,729	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,729
	<u>150,884</u>	-	-	-	-	-	-	0	-	(4,165)	(0)	(2)	(103)	0	(4,270)	<u>146,614</u>
EXPENSES																
Operating and Administrative	61,250	(2,550)	-	-	-	-	-	-	-	-	-	-	-	0	(2,550)	58,700
Finance Expense	22,554	(26)	-	-	-	-	(664)	(5)	12	(18)	8	1	3	(688)	21,866	
Depreciation and Amortization	25,474	-	2,125	-	-	-	-	-	-	-	-	-	-	-	2,125	27,598
Capital and Other Taxes	17,119	-	15	(20)	4	(1)	(11)	(2)	(350)	0	58	(3)	-	2	(307)	16,811
Other Expenses	10,674	-	-	-	-	-	-	0	-	-	-	-	-	(0)	-	10,674
Corporate Allocation	12,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,000
	<u>149,070</u>	<u>(2,576)</u>	<u>2,140</u>	<u>(20)</u>	<u>4</u>	<u>(1)</u>	<u>(11)</u>	<u>(665)</u>	<u>(355)</u>	<u>12</u>	<u>40</u>	<u>5</u>	<u>1</u>	<u>5</u>	<u>(1,421)</u>	<u>147,649</u>
Net Income before Net Movement in Regulatory Deferr:	1,814	2,576	(2,140)	20	(4)	1	11	665	355	(4,177)	(40)	(7)	(104)	(5)	(2,849)	(1,035)
Net Movement in Regulatory Balances *	1,080	-	5,114	(587)	805	(289)	(2,172)	76	-	-	-	9	-	(2)	2,955	4,035
Net Income	<u>2,894</u>	<u>2,576</u>	<u>2,974</u>	<u>(567)</u>	<u>801</u>	<u>(288)</u>	<u>(2,161)</u>	<u>742</u>	<u>355</u>	<u>(4,177)</u>	<u>(40)</u>	<u>2</u>	<u>(104)</u>	<u>(6)</u>	<u>106</u>	<u>3,000</u>

* The adjusted gross margin reflects the cost of gas charged to customer through rates (WACOG). The PGVA has been reclassified to the gross margin from net movement for rate setting purposes.

NET MOVEMENT OF REGULATED ASSETS
FUNCTIONALIZED BY INCOME STATEMENT
(In Thousands of Dollars)

	Mar 22, 2019 Supplement	Order 152/19	Total Increase / (Decrease)	Order 152/19 Directive
For the year ended March 31				
2020				
Operating & Administration (IFRS)	61,250	58,700	(2,550)	2a
Additions/(Reversals):				
Deferred Ineligible Overhead	(700)	-	700	2c
Operating & Administration (Rate Setting)	<u>60,550</u>	<u>58,700</u>	<u>(1,850)</u>	
Other Expenses (IFRS)	10,674	10,674	-	
Additions/(Reversals):				
Demand Side Management Programs	(8,483)	(8,483)	-	
Regulatory Costs	(2,145)	(2,145)	-	
Other Expenses (Rate Setting)	<u>46</u>	<u>46</u>	<u>-</u>	
Depreciation & Amortization (IFRS)	25,474	27,598	2,125	2b
Additions/(Reversals):				
Loss on Disposal of Assets	(1,803)	(1,803)	-	
Change in Depreciation Method	(2,389)	(2,389)	-	
Change in Depreciation Method - Meters	-	-	-	
Impact of 2014 Depreciation Study	-	-	-	
	<u>(4,192)</u>	<u>(4,192)</u>	<u>-</u>	
Amortization:				
DSM, Site Restoration & Regulatory Costs	11,753	11,753	-	
Loss on Disposal of Assets	374	2,546	2,172	2f⁽¹⁾
Change in Depreciation Method	-	-	-	
Deferred Ineligible Overhead	113	-	(113)	2c⁽²⁾
Change in Depreciation Method - Meters	96	386	289	2e⁽³⁾
Impact of 2014 Depreciation Study	(139)	(944)	(805)	2d⁽⁴⁾
Meter Compliance Reg Liability	-	(5,114)	(5,114)	2b
	<u>12,198</u>	<u>8,627</u>	<u>(3,571)</u>	
Depreciation & Amortization (Rate Setting)	<u>33,480</u>	<u>32,033</u>	<u>(1,446)</u>	
Capital & Other Taxes (IFRS)	17,119	16,811	(307)	
Additions/(Reversals):				
Deferred Taxes Amortization	3,193	3,193	-	
Capital & Other Taxes (Rate Setting)	<u>20,312</u>	<u>20,004</u>	<u>(307)</u>	
Finance Expense (IFRS)	22,554	21,866	(688)	
Additions/(Reversals):				
Deferred Taxes Carrying Costs	(1,389)	(1,389)	-	
PGVA carrying costs	438	354	(84)	2g, 18
Finance Expense (Rate Setting)	<u>21,603</u>	<u>20,831</u>	<u>(772)</u>	
Total Net Movement in Regulatory Balances	<u>1,080</u>	<u>4,035</u>	<u>2,955</u>	

(1) As per Directive 2f, Centra's regulatory deferral balance for asset removal costs on terminal asset retirements and retirement gains and losses is to be amortized over 5 years, instead of 34 years

(2) As per Directive 2c, Centra is to cease capitalizing ineligible overhead

(3) As per Directive 2e, Centra's regulatory deferral account for gas meter depreciation is to be amortized over a period of 5 years, instead of 20 years

(4) As per Directive 2d, Centra's regulatory deferral account for the cumulative impact of the 2014 depreciation study is to be amortized over a period of 5 years, instead of 34 years

Schedule 6.0.0

CENTRA GAS MANITOBA INC.

Reflecting Order 152/19

Summary of Rate Base Rate of Return

October 25, 2019

Revenue Requirement & Rate Base

(\$000'S)

1		
2		
3		
4		IFRS
5		2019/20
6		Test Year
7	Cost of Gas	172,767
8	Other Income	(2,255)
9	Furnace Replacement Program	933
10	Operating & Administration	58,700
11	Other Expenses	46
12	Depreciation & Amortization	32,033
13	Capital & Other Taxes	20,004
14	Return on Rate Base	38,512
15	Corporate Allocation (A)	-
16	Revenue Requirement from Gas Rates	320,739
17		
18		
19		
20	Gas Plant in Service (B)	887,858
21	Accumulated Depreciation (B)	(307,681)
22	Net Plant	580,177
23	Net Intangible Assets (B)	9,312
24	Regulatory Deferral Accounts (C)	10,796
25	Contributions in Aid of Construction (B)	(61,534)
26	Working Capital Allowance	103,772
27	Rate Base (Sum lines 22 to 26)	642,524

(A) Fiscal years 2012/13 and on, Corporate Allocation has not been included in the Revenue Requirement from Gas Rates as per Order 85/13 in which the PUB stated that the overall return on rate base is to compensate for finance expense, net income, and corporate allocation.

(B) Balances are calculated using 13-mo averages.

(C) Includes the regulatory deferral debit and credit 13-mo balances relating to: (i) change in depreciation method, (ii) loss on disposal of assets, (iii) change in depreciation rate on meters, (iv) impact of 2014 depreciation study, and the (v) meter compliance liability

CENTRA GAS MANITOBA INC.
Utility Plant Continuity Schedule
2019/20 Test Year

Schedule 6.1.8
Reflecting Order 152/19
October 25, 2019
(\$000'S)

	Balance			Balance	
	Mar 31/19	Additions	Retirements	Mar 31/20	
	[1]	[2]	[3]	[5]	
1					
2					
3					
4					
5					
6	Transmission Plant				
7	Land	1,027	-	1,027	
8	Structures & Improvements - M&R	1,266	194	1,460	
9	Structures & Improvements	76	-	76	
10	Mains - Transmission	151,730	4,906	(139)	156,497
11	Measuring & Regulating Equipment	13,293	2,365	(18)	15,639
12	Cath Prot/Rect/Sacr Anode, Groundbed	-	128	-	128
13	Gas Inline Inspections	-	1,662	-	1,662
14					
15	Distribution Plant				
16	Land	1,685	158	-	1,843
17	Structures & Improvements	1,377	-	-	1,377
18	Structures & Improvements - M&R	5,559	128	(52)	5,635
19	Services	279,525	9,794	(364)	288,954
20	Regulators	56,563	2,293	(2,177)	56,679
21	Mains - Distribution	227,793	8,115	(256)	235,652
22	Measuring & Reg. Equipment	51,051	2,721	(256)	53,516
23	Telemetry Equipment	5,229	281	(13)	5,497
24	Cath Prot/Rect/Sacr Anode, Groundbed	-	317	-	317
25	Meter Testing	-	24,633	-	24,633
26	Meters	46,110	2,894	(2,755)	46,249
27	Computer Equipment - Hardware	813	734	-	1,548
28					
29	General Plant				
30	Land	136	-	-	136
31	Structures & Improvements	8,619	-	-	8,619
32	Office Furniture & Equipment	-	-	-	-
33	Transportation Equipment	(1)	-	-	(1)
34	Heavy Work Equipment	185	-	-	185
35	Tools & Work Equipment	-	-	-	-
36	Other General Equipment	297	-	-	297
37					
38	Total Gross Plant	852,336	61,322	(6,031)	907,626
39					
40	IFRS Net Book Value Adoption	(229,863)		1,270	(228,593)
41					
42	IFRS Cost or Deemed Cost	622,473	61,322	(4,761)	679,034

CENTRA GAS MANITOBA INC.
Accumulated Depreciation Continuity Schedule
2019/20 Test Year

Schedule 6.3.8
Reflecting Order 152/19
October 25, 2019
(\$000'S)

	Balance	Depreciation		Balance	
	Mar 31/19	Expense	Retirements	Mar 31/20	
	[1]	[2]	[3]	[5]	
1					
2					
3					
4					
5					
6	Transmission Plant				
7	Land	-	-	-	
8	Structures & Improvements - M&R	599	17	616	
9	Structures & Improvements	63	1	64	
10	Mains - Transmission	36,850	2,457	(139)	39,169
11	Measuring & Regulating Equipment	3,587	365	(18)	3,934
12	Cath Prot/Rect/Sacr Anode, Groundbed	-	44	-	44
13	Gas Inline Inspections	-	595	-	595
14					
15	Distribution Plant				
16	Land	-	-	-	
17	Structures & Improvements	896	22	-	918
18	Structures & Improvements - M&R	1,600	129	(52)	1,677
19	Services	104,240	4,750	(364)	108,625
20	Regulators	20,127	1,069	(2,177)	19,020
21	Mains - Distribution	79,459	3,211	(256)	82,413
22	Measuring & Reg. Equipment	21,779	1,297	(256)	22,820
23	Telemetry Equipment	4,401	246	(13)	4,634
24	Cath Prot/Rect/Sacr Anode, Groundbed	-	303	-	303
25	Meter Testing	5,883	2,279	-	8,162
26	Meters	14,729	3,368	(2,755)	15,341
27	Computer Equipment - Hardware	150	251	-	402
28					
29	General Plant				
30	Land	-	-	-	
31	Structures & Improvements	6,403	160	-	6,563
32	Office Furniture & Equipment	-	-	-	-
33	Transportation Equipment	-	-	-	-
34	Heavy Work Equipment	185	-	-	185
35	Tools & Work Equipment	-	-	-	-
36					
37	Accumulated Depreciation	300,950	20,564	(6,031)	315,483
38					
39	IFRS Net Book Value Adoption	(229,863)	-	1,270	(228,593)
40					
41	IFRS Accumulated Depreciation	71,087	20,564	(4,761)	86,891

Regulated Deferrals Continuity Schedule
2019/20 Test Year

	Balance Mar 31/19	Additions	Amortization /Recovery	Balance Mar 31/20
	[1]	[2]	[3]	[4]
1				
2				
3				
4				
5 Regulatory Deferral Debit Balance				
6 Included in Rate Base				
7 Investment in Demand Side Management	54,458	8,483	(9,946)	52,996
8 Site Restoration	1,765	-	(314)	1,452
9 Regulatory Costs	2,325	2,145	(1,493)	2,977
10 Total included in Working Capital	58,549	10,628	(11,753)	57,424
11				
12 Change in Depreciation Method	11,107	2,389	-	13,496
13 Deferred Ineligible Overhead	3,335	(3,335)	-	0
14 Change in Depreciation Rate - Meters	1,929	-	(386)	1,543
15 Loss on Disposal of Assets	12,730	1,803	(2,546)	11,987
16 DSM Deferral (1)	-	-	-	-
17 Total included in Regulatory Deferrals	29,102	857	(2,932)	27,027
18				
19 Excluded from Rate Base				
20 Deferred Taxes	18,042	1,389	(3,193)	16,238
21				
22 Total Deferred Debit Balance	105,693	12,873	(17,877)	100,689
23				
24 Regulatory Deferral Credit Balance				
25 Included in Rate Base				
26 DSM Deferral (1)	-	-	-	-
27 Impact of 2014 Depreciation Study	4,718	-	(944)	3,775
28 Meter Compliance	-	15,342	(5,114)	10,228
29 Total included in Regulatory Deferrals	4,718	15,342	(6,058)	14,003
30				
31 Excluded from Rate Base				
32 PGVA	21,757	-	(13,404)	8,354
33				
34 Total Deferred Credit Balance	26,475	15,342	(19,461)	22,356
35				
36 Net Balance	79,218	(2,469)	1,584	78,333
37				

38 (1) The DSM deferral asset and corresponding liability have been written off as per Directive 6 of Order 152/19

39

Working Capital Allowance
2019/20 Test Year

	2019/20 Test Year	Daily Amounts Col [1] / 366	Lead (Lag) Days	Working Capital Required Col [2] * Col [3]
	[1]	[2]	[3]	[4]
1				
2 Cash Working Capital Requirement:				
3				
4 Revenues (net of FRP)	320,931	877	47.7	41,844
5				
6 Cost of Gas	172,767	472	(38.7)	(18,273)
7				
8 Operating & Administrative Expense	57,847	158	(15.2)	(2,402)
9				
10 Payroll Taxes	840	2	(15.2)	(35)
11				
12 Capital & Other Taxes	15,971	44	(36.2)	(1,580)
13				
14 Other Expenses	46	0	(15.2)	(2)
15				
16 Financing Expenses:				
17 Cost of Long Term Debt	20,510	56	(91.3)	(5,116)
18 Cost of Short Term Debt	1,376	4	(16.6)	(62)
19				
20 Corporate Allocation	12,000	33	(15.2)	(498)
21				
22 Cash Revenue Requirement Items (Col [1]; Sum lines 6 to 20)	281,355			
23				
24 Reconciling Revenue Requirement Items:				
25 Bad Debt Expense	853			
26 Depreciation & Amortization Expense	32,033			
27 Amortization of Customer Contributions	(1,130)			
28 Income Taxes (Deferred Taxes)	3,193			
29 Return on Equity (net of Corporate Allocation)	4,627			
30 Total Reconciling Items (sum lines 25 to 29)	39,576			
31 Total Revenue Requirement (line 22 + line 30)	320,931			
32				
33 Cash Working Capital Required (Col [4]; sum lines 4 to 20)				13,875
34				
35 Non Cost of Service Tax Collections	25,946	71	(5.0)	(357)
36				
37 Cash Working Capital Requirement (Col [4], sum lines 33 + 35)				13,519
38				
39 Other Working Capital Requirements:				
40 Gas in Storage				33,139
41 Security Deposits				(900)
42 Investment in Demand Side Management				53,560
43 Investment in Regulatory Costs				2,847
44 Investment in Site Restoration				1,608
45 Total Other Working Capital Requirements				90,254
46				
47 Total Working Capital Allowance (line 37 + line 45)				103,772

CENTRA GAS MANITOBA INC.

Schedule 6.8.8
Reflecting Order 152/19
October 25, 2019
(\$000'S)

Overall Rate of Return
2019/20 Test Year

	Capital Structure	Weight	Cost Rate	Weighted Cost of Capital Col [2] * Col [3]
	[1]	[2]	[3]	[4]
1				
2				
3				
4 Long Term Debt	390,204	60.7%	4.91%	2.98%
5				
6 Short Term Debt	51,900	8.1%	2.65%	0.21%
7				
8 Equity	200,282	31.2%	8.30%	2.59%
9	<u>642,386</u>	<u>100.0%</u>		<u>5.78%</u>

Average Debt Financing
2019/20 Forecast

Principal Balances Debt Code	Principal at Start of Year [1]	Principal at End of Year [2]	30	31	30	31	31	30	31	30	31	31	29	31	366
			Apr - 19 [3]	May - 19 [4]	Jun - 19 [5]	Jul - 19 [6]	Aug - 19 [7]	Sep - 19 [8]	Oct - 19 [9]	Nov - 19 [10]	Dec - 19 [11]	Jan - 20 [12]	Feb - 20 [13]	Mar - 20 [14]	Monthly Average [15]
CG 7 (Refinance CG 3)	50,000	50,000	1,500,000	1,550,000	1,500,000	1,550,000	1,550,000	1,500,000	1,550,000	1,500,000	1,550,000	1,550,000	1,450,000	1,550,000	50,000
CG 8 (CG 6 Extension)	30,000	30,000	900,000	930,000	900,000	930,000	930,000	900,000	930,000	900,000	930,000	930,000	870,000	930,000	30,000
CG 9	30,000	30,000	900,000	930,000	900,000	930,000	930,000	900,000	930,000	900,000	930,000	930,000	870,000	930,000	30,000
CG 11 (Refinance CG 5)	30,000	30,000	900,000	930,000	900,000	930,000	930,000	900,000	930,000	900,000	930,000	930,000	870,000	930,000	30,000
CG 12 (Refinance CG 5)	10,000	10,000	300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	310,000	310,000	290,000	310,000	10,000
CG 13 (Refinance CG 4)	20,000	20,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000	620,000	580,000	620,000	20,000
CG 14	30,000	30,000	900,000	930,000	900,000	930,000	930,000	900,000	930,000	900,000	930,000	930,000	870,000	930,000	30,000
CG 15 (Refinance CG 1)	20,000	20,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000	620,000	580,000	620,000	20,000
CG 16 (Refinance CG 1)	20,000	20,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000	620,000	580,000	620,000	20,000
CG 17 (Refinance CG 1)	20,000	20,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000	620,000	580,000	620,000	20,000
CG 18	10,000	10,000	300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	310,000	310,000	290,000	310,000	10,000
CG 19 (Refinance CG 10)	35,000	35,000	1,050,000	1,085,000	1,050,000	1,085,000	1,085,000	1,050,000	1,085,000	1,050,000	1,085,000	1,085,000	1,015,000	1,085,000	35,000
CG 20	35,000	35,000	1,050,000	1,085,000	1,050,000	1,085,000	1,085,000	1,050,000	1,085,000	1,050,000	1,085,000	1,085,000	1,015,000	1,085,000	35,000
CG 21	20,000	-	600,000	620,000	600,000	620,000	620,000	600,000	620,000	420,000	-	-	-	-	12,842
CG 22	9,903	9,903	297,090	306,993	297,090	306,993	306,993	297,090	306,993	297,090	306,993	297,090	287,187	306,993	9,903
CG 23	20,000	20,000	600,000	620,000	600,000	620,000	620,000	600,000	620,000	600,000	620,000	620,000	580,000	620,000	20,000
CG 24	10,000	10,000	-	-	-	290,000	310,000	300,000	310,000	300,000	310,000	310,000	290,000	310,000	7,459
CG New Debt 1		50,000													
Balances at April 1 and March 31	389,903	429,903													
Monthly Debt Balances Weighted by Day			11,697,090	12,086,993	11,697,090	12,376,993	12,396,993	11,997,090	12,396,993	11,817,090	11,776,993	11,776,993	11,017,187	11,776,993	
Average Monthly Debt Balance			389,903	389,903	389,903	399,258	399,903	399,903	399,903	393,903	379,903	379,903	379,903	379,903	390,204

Financing Costs on Debt	Interest Expense	
	Long Term	Short Term
CG 7 (Refinance CG 3)	2,253	
CG 8 (CG 6 Extension)	1,890	
CG 9	1,553	
CG 11 (Refinance CG 5)	1,418	
CG 12 (Refinance CG 5)	464	
CG 13 (Refinance CG 4)	928	
CG 14	1,389	
CG 15 (Refinance CG 1)	636	
CG 16 (Refinance CG 1)	656	
CG 17 (Refinance CG 1)	683	
CG 18	340	
CG 19 (Refinance CG 10)	1,016	
CG 20	892	
CG 21	280	
CG 22	231	
CG 23	439	
CG 24	196	
Interest on Long Term Debt	15,261	
Provincial Guarantee Fee	3,899	
Cost of Debt Financing	19,160	
Embedded Cost of Long Term and Short Term Debt	4.91%	2.65%

CENTRA GAS MANITOBA INC.**Schedule 6.10.8
Reflecting Order 152/19
October 25, 2019
(\$000'S)****Return on Rate Base
2019/20 Test Year**

	Rate Base	Weight	Cost Rate	Return Col [1] * Col [2] * Col [3]
	[1]	[2]	[3]	[4]
1				
2				
3				
4 Long Term Debt	642,524	60.7%	4.91%	19,164
5				
6 Short Term Debt	642,524	8.1%	2.65%	1,376
7				
8 Equity	642,524	<u>31.2%</u>	8.30%	<u>16,627</u>
9		<u>100.0%</u>		<u>37,167</u>
10				
11 Interest on Common Assets and Inventory				1,346
12				
13 Total Return on Rate Base				<u><u>38,512</u></u>

CENTRA GAS MANITOBA INC
Purchase Variance Account - Heating Value Margin Deferral Account
2018/19 Gas Year Outlook based on Futures Market Strip as of:

Schedule 8.10.5
 October 25, 2019

Oct. 15, 2019

	Actual Nov-18	Actual Dec-18	Actual Jan-19	Actual Feb-19	Actual Mar-19	Actual Apr-19	Actual May-19	Actual Jun-19	Actual Jul-19	Actual Aug-19	Actual Sep-19	Outlook Oct-19	Total
1 Heating Value (GJ/103m3)	38.20	38.18	38.34	38.22	38.26	38.35	38.31	38.49	38.40	38.36	38.50	0.00	
2													
3 Heating Value Revenue Deferral													
4 Heating Value Cost Deferral													
5 Heating Value Margin Deferral													
6													
7 Carrying Costs													
8													
9 Net Balance													

1e

1e

Centra Gas Manitoba Inc.
2019/20 General Rates Application-Reflecting Order 152/19
Summary of Allocated Costs by Customer Class
2019/20 Test Year

Schedule 10.1.0
October 25, 2019

SGS					LGS				
	Demand	Energy	Customer	Total	Demand	Energy	Customer	Total	
1 Cost of Service Elements									
2									
3									
4									
5 Cost of Gas	27,707,014	1,704,856	0	29,411,870	21,184,205	1,277,423	0	22,461,627	
6 Other Income	-69,372	-444	-858,850	-928,666	-53,069	-340	-40,163	-93,572	
7 Operating & Maintenance Expenses	7,358,958	47,053	35,719,138	43,125,139	5,629,551	36,040	3,987,630	9,653,221	
8 Depreciation & Amortization	4,056,966	5,771,971	9,941,139	19,770,077	2,753,322	3,782,036	2,611,397	9,146,755	
9 Capital & Other Taxes	3,650,147	486,647	9,252,307	13,389,101	2,792,069	340,667	1,449,578	4,582,313	
10 Finance Expense	3,197,620	1,530,511	9,093,976	13,822,107	2,444,805	1,071,262	1,511,301	5,027,368	
11 Corporate Allocation	1,842,001	881,657	5,238,619	7,962,277	1,408,339	617,105	870,591	2,896,034	
12 Net Income	460,490	220,409	1,309,625	1,990,524	352,077	154,273	217,643	723,992	
13									
14 Total Cost of Service	48,203,824	10,642,661	69,695,943	128,542,428	36,511,298	7,278,466	10,607,977	54,397,740	
15									
16									
17									
18									
19									
20 Cost of Gas	5,915,677	399,049	0	6,314,726	10,365	267	0	10,632	
21 Other Income	-16,734	-104	-9,443	-26,280	-19	0	-17	-36	
22 Operating & Maintenance Expenses	1,775,101	10,993	965,868	2,751,962	2,055	1	1,699	3,754	
23 Depreciation & Amortization	783,355	299,191	189,983	1,272,529	655	1	364	1,020	
24 Capital & Other Taxes	852,053	61,654	80,073	993,780	742	63	252	1,057	
25 Finance Expense	744,799	193,676	75,065	1,013,540	606	198	212	1,016	
26 Corporate Allocation	429,044	111,568	43,242	583,853	349	114	122	585	
27 Net Income	107,259	27,891	10,810	145,960	87	29	31	146	
28									
29 Total Cost of Service	10,590,553	1,103,919	1,355,599	13,050,070	14,840	682	2,662	18,185	
30									
31									
32									
33									
34									
35 Cost of Gas	101,921	125,946	0	227,867	[REDACTED]				
36 Other Income	-7,556	-4	-788	-8,348	-7,385	-1	-85	-7,470	
37 Operating & Maintenance Expenses	801,534	447	80,488	882,469	783,365	93	8,117	791,575	
38 Depreciation & Amortization	269,906	99,453	17,165	386,523	198,593	-7	7,186	205,772	
39 Capital & Other Taxes	282,060	6,656	7,624	296,341	509,019	15	6,566	515,599	
40 Finance Expense	227,670	20,943	7,249	255,861	411,295	42	5,951	417,288	
41 Corporate Allocation	131,150	12,064	4,176	147,390	236,928	24	3,428	240,380	
42 Net Income	32,787	3,016	1,044	36,847	59,231	6	857	60,094	
43									
44 Total Cost of Service	1,839,472	268,520	116,957	2,224,949	[REDACTED]				
45									
46									
47									
48									
49									
50 Cost of Gas	[REDACTED]				620,439	217,773	0	838,212	
51 Other Income	-710	-2	-203	-915	-1,601	-26	-1,683	-3,310	
52 Operating & Maintenance Expenses	75,347	182	17,565	93,094	169,787	2,714	171,965	344,466	
53 Depreciation & Amortization	-97,749	-15	38,761	-59,003	59,306	163	37,101	96,571	
54 Capital & Other Taxes	24,939	29	37,040	62,007	84,465	10,772	16,187	111,424	
55 Finance Expense	19,543	83	33,846	53,472	73,724	33,803	15,447	122,973	
56 Corporate Allocation	11,258	48	19,497	30,803	42,469	19,472	8,898	70,839	
57 Net Income	2,814	12	4,874	7,700	10,617	4,868	2,225	17,709	
58									
59 Total Cost of Service	[REDACTED]				1,059,207	289,540	250,139	1,598,885	
60									
61									
62									
63									
64									
65 Cost of Gas	[REDACTED]				[REDACTED]				
66 Other Income	[REDACTED]				[REDACTED]				
67 Operating & Maintenance Expenses	[REDACTED]				[REDACTED]				
68 Depreciation & Amortization	[REDACTED]				[REDACTED]				
69 Capital & Other Taxes	[REDACTED]				[REDACTED]				
70 Finance Expense	[REDACTED]				[REDACTED]				
71 Corporate Allocation	[REDACTED]				[REDACTED]				
72 Net Income	[REDACTED]				[REDACTED]				
73									
74 Total Cost of Service	[REDACTED]				[REDACTED]				
75									
76									
77									
78									
79									
80 Cost of Gas	[REDACTED]				0	50,252	0	50,252	
81 Other Income	[REDACTED]				0	-4	-113	-117	
82 Operating & Maintenance Expenses	[REDACTED]				0	417	11,947	12,364	
83 Depreciation & Amortization	[REDACTED]				0	33	945	978	
84 Capital & Other Taxes	[REDACTED]				0	21	192	213	
85 Finance Expense	[REDACTED]				0	47	66	113	
86 Corporate Allocation	[REDACTED]				0	27	38	65	
87 Net Income	[REDACTED]				0	7	10	16	
88									
89 Total Cost of Service	[REDACTED]				0	50,800	13,085	63,884	
90									
91									
92									
93									
94									
95									
96 Cost of Gas	0	0	0	0	55,570,273	129,390,286	0	184,960,559	
97 Other Income	0	0	0	0	-156,446	-10,744	-911,345	-1,078,535	
98 Operating & Maintenance Expenses	0	0	0	0	16,595,697	1,139,684	40,964,407	58,699,788	
99 Depreciation & Amortization	0	0	0	0	8,024,355	10,035,222	12,844,041	30,903,618	
100 Capital & Other Taxes	0	0	0	0	8,195,493	958,781	10,849,819	20,004,092	
101 Finance Expense	0	0	0	0	7,120,061	2,968,215	10,743,113	20,831,389	
102 Corporate Allocation	0	0	0	0	4,101,538	1,709,852	6,188,611	12,000,000	
103 Net Income	0	0	0	0	1,025,361	427,453	1,547,118	2,999,932	
104									
105 Total Cost of Service	0	0	0	0	100,476,332	146,618,749	82,225,763	329,320,844	

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Centra Gas Manitoba Inc.
2019/20 General Rates Application-Reflecting Order 152/19
Unit Cost Component Summary
2019/20 Test Year

Schedule 10.1.1
 October 25, 2019

<u>ROR</u>	System Total	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT	Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Fixed Price Offering FRPGS
1 REVENUE REQUIREMENTS													
2 Upstream Demand (\$)													
3 Upstream Commodity (\$)													
4 Upstream Customer (\$)													
5 Upstream Total (\$)													
6													
7 Downstream Demand (\$)													
8 Downstream Commodity (\$)													
9 Downstream Customer (\$)													
10 Downstream Total (\$)													
11													
12 Total (incl. gas costs)													
13													
14													
15 MONTHLY BILLING DETERMINANTS													
16 Upstream Demand (10 ³ m ³ -day)													
17 Upstream Commodity (10 ³ m ³)													
18 Upstream Customer (customers)													
19													
20 Downstream Demand (10 ³ m ³ -day)													
21 Downstream Commodity (10 ³ m ³)													
22 Downstream Customer (customers)													
23													
24 PERCENT IN DEMAND CHARGE		0.0%	0.0%	65.0%	100.0%	100.0%	100.0%	100.0%	65.0%	100.0%	100.0%	100.0%	100.0%
25													
26 RESULTING UNIT CHARGES													
27 Upstream Demand (\$/10 ³ m ³ -day)	409.448	0.000	0.000	265.665	423.734	380.247	0.000	0.000	134.421	0.000	0.000	0.000	0.000
28 Upstream Commodity (\$/10 ³ m ³)	89.725	45.228	43.730	14.107	2.528	2.712	0.000	0.000	7.703	87.996	138.439	139.199	90.467
29 Upstream Customer (\$/customer)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30													
31 Downstream Demand (\$/10 ³ m ³ -day)	244.106	0.000	0.000	179.920	161.378	225.951	135.406	3.624	86.952	0.000	0.000	0.000	0.000
32 Downstream Commodity (\$/10 ³ m ³)	7.322	40.997	37.298	9.937	0.000	1.598	0.108	20.530	6.696	0.000	0.000	0.000	0.000
33 Downstream Customer (\$/customer)	23.811	20.794	106.377	1,017.717	221.873	1,082.934	2,668.454	6,307.493	1,042.247	0.000	0.000	0.000	0.000

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Centra Gas Manitoba Inc.
2019/20 General Rates Application-Reflecting Order 152/19
Comparison of Gas Costs vs. Non-Gas Costs
2019/20 Test Year

Schedule 10.1.2
October 25, 2019

	ROR	System Total	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT	Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Fixed Price Offering FRPGS
Gas Costs vs. Non-Gas Costs														
1	REVENUE REQUIREMENTS													
2	Upstream Demand (\$)	Upstream Demand (\$)												
3	Gas Costs	55,371,829	27,629,647	21,124,969	5,897,494	10,336	90,811	0	0	618,572	0	0	0	0
4	Non-gas Costs	2,201,463	1,098,494	839,883	234,471	411	3,610	0	0	24,593	0	0	0	0
5	Total	57,573,292	28,728,141	21,964,852	6,131,966	10,747	94,421	0	0	643,165	0	0	0	0
6		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Upstream Commodity (\$)	Upstream Commodity (\$)												
8	Gas Costs	127,732,252	1,068,171	821,463	253,142	267	4,909	0	0	56,944				50,252
9	Non-gas Costs	3,662,601	1,070,805	846,658	297,539	415	6,530	0	0	71,173				548
10	Total	131,394,853	2,138,976	1,668,121	550,681	682	11,439	0	0	128,117				50,800
11		0	0	0	0	0	0	0	0	0				0
12	Upstream Customer (\$)	Upstream Customer (\$)												
13	Gas Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Non-gas Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Total	0	0	0	0	0	0	0	0	0	0	0	0	0
16														
17	Upstream Total (\$)	Upstream Total (\$)												
18	Total Gas Costs	183,104,081	28,697,818	21,946,433	6,150,636	10,603	95,720	0	0	675,515				50,252
19	Total Non-gas Costs	5,864,064	2,169,300	1,686,541	532,011	826	10,140	0	0	95,766				548
20	Total Upstream Costs	188,968,145	30,867,117	23,632,973	6,682,646	11,429	105,860	0	0	771,281				50,800
21		0	0	0	0	0	0	0	0	0				0
22	Downstream Demand (\$)	Downstream Demand (\$)												
23	Gas Costs	198,444	77,367	59,235	18,183	29	11,111			1,868	0	0	0	0
24	Non-gas Costs	42,704,597	19,398,316	14,487,210	4,440,404	4,064	1,733,940	2,191,045	35,442	414,175	0	0	0	0
25	Total	42,903,041	19,475,683	14,546,446	4,458,587	4,093	1,745,05			416,042	0	0	0	0
26														
27	Downstream Commodity (\$)	Downstream Commodity (\$)												
28	Gas Costs	1,658,034	636,685	455,959	145,907	0	121,037			160,829	0	0	0	0
29	Non-gas Costs	13,565,862	7,867,000	5,154,385	407,331	0	136,044	171	337	594	0	0	0	0
30	Total	15,223,896	8,503,685	5,610,344	553,238	0	257,081			161,423	0	0	0	0
31														
32	Downstream Customer (\$)	Downstream Customer (\$)												
33	Gas Costs	0	0	0	0	0	0			0	0	0	0	0
34	Non-gas Costs	82,225,763	69,695,943	10,607,977	1,355,599	2,662	116,957	32,021	151,380	250,139	0	0	0	13,085
35	Total	82,225,763	69,695,943	10,607,977	1,355,599	2,662	116,957			250,139	0	0	0	13,085
36														
37	Downstream Total (\$)	Downstream Total (\$)												
38	Total Gas Costs	1,856,478	714,052	515,195	164,090	29	132,147			162,697	0	0	0	0
39	Total Non-gas Costs	138,496,221	96,961,259	30,249,572	6,203,334	6,726	1,986,941	2,223,238	187,158	664,907	0	0	0	13,085
40	Total Downstream Costs	140,352,700	97,675,311	30,764,767	6,367,424	6,755	2,119,089			827,604	0	0	0	13,085
41														
42	Grand Total Gas Costs	184,960,559	29,411,870	22,461,627	6,314,726	10,632	227,867			838,212				50,252
43	Grand Total Non-gas Costs	144,360,285	99,130,559	31,936,113	6,735,344	7,553	1,997,082	2,223,238	187,158	760,673				13,633
44	Grand Total	329,320,844	128,542,428	54,397,740	13,050,070	18,185	2,224,949			1,598,885				63,884
45														
46														
47	Calculation of the Primary Gas Overhead Rate:		line 9, PG column							13,633 (lines 9 & 34, FPO column)				
48			10 ³ m ³ (Schedule 10.1.1, line 17, PG column)							562 (10 ³ m ³ (Schedule 10.1.1, line 17, FPO column)				
49			0.95 10 ³ m ³							24.28 per 10 ³ m ³				1e

Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Total Functionalization By Customer Class
2019/20 Test Year

Schedule 10.1.3
 October 25, 2019

	System	Small		Small Gen.	Large Gen	High	Cooperative		Main Line	Special	Power	Interruptible	Primary	Firm	Interruptible	Fixed Price
	Total	Residential	Commercial	Service	Service	Volume	CO-OP	ML	Contracts	Stations	INT	Gas	Supplemental	Supplemental	Offering	
	SGS-R	SGS-C	SGS-Total	LGS	HVF	CO-OP	ML	SC	GS	INT	PG	FSP	ISP	FPO		
1 PRODUCTION																
2 Demand	0															
3 Energy	126,896,837															
4 Customer	0															
5 Total	126,896,837															
6																
7 PIPELINE																
8 Demand	36,805,798															
9 Energy	427,590															
10 Customer	0															
11 Total	37,233,389															
12																
13 STORAGE																
14 Demand	20,767,493															
15 Energy	4,070,426															
16 Customer	0															
17 Total	24,837,919															
18																
19 TRANSMISSION																
20 Demand	17,010,683															
21 Energy	15,223,896															
22 Customer	0															
23 Total	32,234,579															
24																
25 DISTRIBUTION																
26 Demand	25,892,358	10,480,055	2,003,582	12,483,636	9,546,572	2,900,513	1,797	677,267				282,572				0
27 Energy	0	0	0	0	0	0	0	0								0
28 Customer	11,123,024	10,090,365	706,355	10,796,720	321,219	4,291	2	16				773				0
29 Total	37,015,381	20,570,420	2,709,936	23,280,356	9,867,791	2,904,804	1,799	677,283				283,345				0
30																
31 ONSITE																
32 Demand	0	0	0	0	0	0	0	0								0
33 Energy	0	0	0	0	0	0	0	0								0
34 Customer	71,102,740	52,486,141	6,413,082	58,899,223	10,286,758	1,351,308	2,661	116,941				249,366				13,085
35 Total	71,102,740	52,486,141	6,413,082	58,899,223	10,286,758	1,351,308	2,661	116,941				249,366				13,085
36																
37 TOTAL SERVICE																
38 Demand	100,476,332	40,422,353	7,781,471	48,203,824	36,511,298	10,590,553	14,840	1,839,472				1,059,207				0
39 Energy	146,618,749	8,166,773	2,475,889	10,642,661	7,278,466	1,103,919	682	268,520				289,540				50,800
40 Customer	82,225,763	62,576,506	7,119,436	69,695,943	10,607,977	1,355,599	2,662	116,957				250,139				13,085
41 Total	329,320,844	111,165,632	17,376,796	128,542,428	54,397,740	13,050,070	18,185	2,224,949				1,598,885				63,884

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Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Rate Base
2019/20 Test Year

Account Description	Account Code	Total Allocated Dollars	Direct Assignment Factor	Total Direct Assignment	Balance to be Allocated	Allocation Factor	Residential SGS-R	Small Commercial SGS-C	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF
Transmission Plant		-41,199,006		0	-41,199,006		-13,474,610	-2,574,549	-16,049,160	-12,287,914	-3,780,784
Distribution Plant		-234,193,158		0	-234,193,158		-152,183,989	-20,799,661	-172,983,650	-47,475,299	-9,918,405
General Plant		-7,321,735		0	-7,321,735		-4,783,530	-518,120	-5,301,649	-1,293,741	-359,397
Retirement Work in Progress		0		0	0		0	0	0	0	0
Sub-total		-287,840,398		0	-287,840,398		-173,477,284	-24,324,818	-197,802,102	-62,170,919	-14,314,500
Plant Held For Future Use		0		0	0		0	0	0	0	0
Total Accumulated Depreciation		-287,840,398		0	-287,840,398		-173,477,284	-24,324,818	-197,802,102	-62,170,919	-14,314,500
III. OTHER RATE BASE											
Contributions in Aid of Construction		-61,613,212		0	-61,613,212		-22,725,526	-4,179,860	-26,905,386	-18,443,247	-5,474,016
Cash Working Capital		13,519,004		0	13,519,004		5,741,120	896,441	6,637,561	2,497,196	550,166
Security Deposits		-900,000		0	-900,000		-723,624	-50,656	-774,280	-102,995	-17,517
Gas in Storage		33,138,755		0	33,138,755		13,001,916	2,442,022	15,443,938	12,229,506	4,326,060
Investment in DSM		53,559,521		0	53,559,521		23,030,594	8,033,928	31,064,522	20,352,618	1,606,786
Investment in Regulatory Costs		2,847,151		0	2,847,151		1,893,849	197,875	2,091,724	468,216	133,480
Investment in Site Restoration		1,608,420		0	1,608,420		963,347	136,109	1,099,457	347,273	75,260
Total Other Rate Base		42,159,639		0	42,159,639		21,181,676	7,475,860	28,657,536	17,348,567	1,200,218
TOTAL RATE BASE		643,207,757		0	643,207,757		368,181,297	58,601,889	426,783,186	155,229,313	31,294,918

Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Rate Base
2019/20 Test Year

Account Description	Account Code	Total Allocated Dollars	Special		Power Stations	Interruptible	Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Ex-Franchise Customers EXF	Fixed Price Offering FPO
			Cooperative CO-OP	Main Line ML							
Transmission Plant		-41,199,006	-6,017	-2,322,554	-6,068,992	-296,140	-387,444	0	0	0	0
Distribution Plant		-234,193,158	-9,396	-1,865,453	-132,507	-756,713	-1,051,736	0	0	0	0
General Plant		-7,321,735	-435	-79,935	-106,405	-7,705	-45,155	-114,157	-10,909	-753	0
Retirement Work in Progress		0	0	0	0	0	0	0	0	0	0
Sub-total		-287,840,398	-16,160	-4,355,720	-6,460,318	-1,082,028	-1,511,338	-114,157	-10,909	-753	0
Plant Held For Future Use		0	0	0	0	0	0	0	0	0	0
Total Accumulated Depreciation		-287,840,398	-16,160	-4,355,720	-6,460,318	-1,082,028	-1,511,338	-114,157	-10,909	-753	0
III. OTHER RATE BASE											
Contributions in Aid of Construction		-61,613,212	-7,549	-2,844,756	-7,021,118	-357,426	-559,713	0	0	0	0
Cash Working Capital		13,519,004	723	125,072	88,325	2,330	62,467	3,223,332	308,010	21,274	0
Security Deposits		-900,000	-158	-1,420	-158	-316	-3,156	0	0	0	0
Gas in Storage		33,138,755	6,110	95,453	0	0	1,037,688	0	0	0	0
Investment in DSM		53,559,521	0	535,595	0	0	0	0	0	0	0
Investment in Regulatory Costs		2,847,151	183	42,803	38,394	4,515	16,708	45,844	4,381	303	0
Investment in Site Restoration		1,608,420	85	25,015	47,624	5,609	8,098	0	0	0	0
Total Other Rate Base		42,159,639	-607	-2,022,239	-6,846,932	-345,287	562,091	3,269,176	312,391	21,577	0
TOTAL RATE BASE		643,207,757	31,366	7,900,175	12,884,541	1,651,042	3,797,029	3,295,961	314,952	21,754	0

Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated Dollars	Direct Assignment Factor	Total Direct Assignment	Balance to be Allocated	Allocation Factor	Residential SGS-R	Small Commercial SGS-C	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF
<u>COST OF SERVICE DETAILS</u>											
I. COST OF GAS											
A. FIXED COSTS											
TCPL FS Demand - Sask Zone											
TCPL STS Demand											
Firm transportation by counterparties											
TCPL Firm Service - Emerson to Man Zone											
TCPL FS Demand - Man Zone											
Other Pipeline Fixed Tolls											
ANR Storage Deliverability											
ANR Joliet to Storage Winter											
ANR Crystal Falls from Storage											
GLGT Storage to Deward											
Seasonal Storage Capacity											
Seasonal Storage Deliverability											
Annual Storage Capacity											
Annual Storage Deliverability											
ANR Joliet to Storage Summer											
ANR Crystal Falls to Storage											
GLGT Emerson to Crystal Falls											
Forecast Capacity Management Revenues											
Sub-total											
B. VARIABLE TRANSPORTATION											
TCPL FS - Sask Zone											
TCPL FS - Flowing directly to Man Zone											
TCPL FS - SSDA (Welwyn)											
Primary Gas Delivered Service											
GLGT Storage Transportation											
ANR Storage Transportation											
ANR Storage Withdrawl Chg.											
Storage Gas - Transportation & Delivery Cost											
Compressor Fuel: TCPL SSSA											
Compressor Fuel: Primary											
Compressor Fuel: Emerson											
Compressor Fuel: TCPL SSSA (Welwyn) to MDA											
Compressor Fuel: Oklahoma											
Compressor Fuel: Storage & Supplemental US Supplies											
Sub-total											
C. COMMODITY COST											
Primary Direct to System											
Storage Gas: Primary to System											
Oklahoma Supply											
Storage Gas: Supplemental Supply											
Emerson Supply											
Primary Gas Delivered Service											
Fixed Price Offering											
Sub-total											
D. OTHER GAS COSTS											
Minell Charges											
Load Balancing Charges											
Baseload Volume Price Increment Charges											
Sub-total											
Total Cost of Gas		184,960,559		0	184,960,559		24,692,523	4,719,347	29,411,870	22,461,627	6,314,726
II. OTHER REVENUE											
Rental Income		0		0	0		0	0	0	0	0
Late Payment Charge		-507,402		0	-507,402		-474,206	-33,196	-507,402	0	0
Broker Revenue		-17,774		0	-17,774		-13,123	-1,603	-14,726	-2,572	-338
Other		-553,358		0	-553,358		-368,079	-38,458	-406,537	-91,000	-25,943
Total Other Revenue		-1,078,535		0	-1,078,535		-855,408	-73,257	-928,666	-93,572	-26,280

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Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated										
		Dollars	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT	Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Ex-Franchise Customers EXF	Fixed Price Offering FPO
COST OF SERVICE DETAILS												
I. COST OF GAS												
A. FIXED COSTS												
TCPL FS Demand - Sask Zone												
TCPL STS Demand												
Firm transportation by counterparties												
TCPL Firm Service - Emerson to Man Zone												
TCPL FS Demand - Man Zone												
Other Pipeline Fixed Tolls												
ANR Storage Deliverability												
ANR Joliet to Storage Winter												
ANR Crystal Falls from Storage												
GLGT Storage to Deward												
Seasonal Storage Capacity												
Seasonal Storage Deliverability												
Annual Storage Capacity												
Annual Storage Deliverability												
ANR Joliet to Storage Summer												
ANR Crystal Falls to Storage												
GLGT Emerson to Crystal Falls												
Forecast Capacity Management Revenues												
Sub-total												
B. VARIABLE TRANSPORTATION												
TCPL FS - Sask Zone												
TCPL FS - Flowing directly to Man Zone												
TCPL FS - SSDA (Welwyn)												
Primary Gas Delivered Service												
GLGT Storage Transportation												
ANR Storage Transportation												
ANR Storage Withdrawl Chg.												
Storage Gas - Transportation & Delivery Cost												
Compressor Fuel: TCPL SSDA												
Compressor Fuel: Primary												
Compressor Fuel: Emerson												
Compressor Fuel: TCPL SSDA (Welwyn) to MDA												
Compressor Fuel: Oklahoma												
Compressor Fuel: Storage & Supplemental US Supplies												
Sub-total												
C. COMMODITY COST												
Primary Direct to System												
Storage Gas: Primary to System												
Oklahoma Supply												
Storage Gas: Supplemental Supply												
Emerson Supply												
Primary Gas Delivered Service												
Fixed Price Offering												
Sub-total												
D. OTHER GAS COSTS												
Minell Charges												
Load Balancing Charges												
Baseload Volume Price Increment Charges												
Sub-total												
Total Cost of Gas		184,960,559	10,632	227,867			838,212			0	50,252	0
II. OTHER REVENUE												
Rental Income		0	0	0	0	0				0	0	0
Late Payment Charge		-507,402	0	0	0	0				0	0	0
Broker Revenue		-17,774	-1	-29	-8	-38	-62			0	0	0
Other		-553,358	-35	-8,319	-7,462	-878	-3,247			0	-117	0
Total Other Revenue		-1,078,535	-36	-8,348	-7,470	-915	-3,310			0	-117	0

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Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated Dollars	Direct Assignment Factor	Total Direct Assignment	Balance to be Allocated	Allocation Factor	Residential SGS-R	Small Commercial SGS-C	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF
III. OPERATING & ADMINISTRATIVE EXPENSES											
A. CUSTOMER SERVICE & CORPORATE RELATIONS											
Back/Middle Office Services		277,994		0	277,994		37,113	7,093	44,206	33,760	9,491
Billing & Collections		7,015,348		1,609,744	5,405,604		5,714,533	465,225	6,179,758	699,098	105,213
Customer & Public Relations		3,801,907		0	3,801,907		2,408,308	175,949	2,584,257	598,828	473,864
Customer Information Systems (Banner)		601,616		0	601,616		545,763	38,205	583,968	17,374	232
Customer Inspections		7,858,717		2,931,931	4,926,786		6,779,994	501,454	7,281,448	363,487	64,203
Customer Safety Services		1,472,330		0	1,472,330		1,012,127	70,852	1,082,978	382,807	5,045
Dispatch		1,843,914		0	1,843,914		1,446,822	191,219	1,638,041	197,646	6,291
Energy Supply, Planning & Support		2,612,383		218,100	2,394,283		718,661	137,398	856,059	654,764	244,651
Environment		910,052		0	910,052		435,471	63,256	498,727	251,791	75,262
Meter Reading		2,397,759		0	2,397,759		1,920,249	157,710	2,077,959	302,396	13,365
Rate and Regulatory Affairs		1,252,299		0	1,252,299		832,996	87,034	920,030	205,941	58,710
Sub-total		30,044,319		4,759,775	25,284,544		21,852,036	1,895,394	23,747,431	3,707,892	1,056,326
B. OPERATIONS AND MAINTENANCE											
Communication System		128,099		0	128,099		20,606	3,939	24,545	18,779	62,404
Distribution Maintenance		6,727,064		0	6,727,064		3,881,271	659,203	4,540,475	1,493,254	338,429
Load Forecast		103,189		0	103,189		48,219	3,375	51,594	25,976	19,885
Metering		346,552		0	346,552		242,373	16,967	259,340	49,445	29,112
Plant Failures & Emergencies		222,899		0	222,899		153,228	10,726	163,955	57,954	764
Quality Assessment		430,204		0	430,204		244,280	41,598	285,878	96,701	22,294
Regulating Station Maintenance		4,902,626		355,151	4,547,475		2,571,476	350,084	2,921,559	1,316,197	389,922
System Performance & Reliability		2,556,427		0	2,556,427		1,223,282	177,692	1,400,974	707,307	211,418
Sub-total		15,417,060		355,151	15,061,909		8,384,735	1,263,585	9,648,321	3,765,612	1,074,228
C. ORGANIZATIONAL SUPPORT											
Corporate Governance		2,206,838		0	2,206,838		1,470,857	153,935	1,624,792	365,568	104,226
Corporate Infrastructure		4,409,326		0	4,409,326		2,532,966	306,446	3,239,412	725,117	206,718
Corporate Services		2,031,492		0	2,031,492		1,351,295	141,188	1,492,482	334,080	95,240
Departmental Support		5,928,842		0	5,928,842		3,943,708	412,051	4,355,759	975,002	277,956
Operational Management		1,572,837		0	1,572,837		1,046,209	109,311	1,155,520	258,654	73,738
Sub-total		16,149,336		0	16,149,336		10,745,035	1,122,931	11,867,966	2,658,422	757,878
D. ADJUSTMENTS TO INCOME											
Corporate Alloc. & Adj.		-698,741		0	-698,741		-464,784	-48,562	-513,346	-114,909	-32,758
Depreciation, Interest, Taxes		-2,212,185		0	-2,212,185		-1,471,487	-153,746	-1,625,232	-363,795	-103,712
Sub-total		-2,910,927		0	-2,910,927		-1,936,271	-202,308	-2,138,579	-478,704	-136,470
Total Operating & Administrative Expenses		58,699,788		5,114,926	53,584,862		39,045,536	4,079,603	43,125,139	9,653,221	2,751,962

Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated						Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Ex-Franchise Customers EXF	Fixed Price Offering FPO	Broker BRK
		Dollars	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT						
III. OPERATING & ADMINISTRATIVE EXPENSES													
A. CUSTOMER SERVICE & CORPORATE RELATIONS													
Back/Middle Office Services		277,994	16	342	114	139	1,260				0	76	0
Billing & Collections		7,015,348	948	8,531	948	1,896	18,957				0	0	0
Customer & Public Relations		3,801,907	0	37,969	3,999	8,997	84,976				0	8,997	0
Customer Information Systems (Banner)		601,616	0	0	0	0	0				0	0	0
Customer Inspections		7,858,717	115	38,057	99,815	4,830	6,761				0	0	0
Customer Safety Services		1,472,330	45	409	45	91	909				0	0	0
Dispatch		1,843,914	0	1,123	0	0	813				0	0	0
Energy Supply, Planning & Support		2,612,383	316	139,360	68,923	31,695	20,398				0	239	0
Environment		910,052	53	20,414	53,735	2,584	7,486				0	0	0
Meter Reading		2,397,759	0	1,318	146	293	2,282				0	0	0
Rate and Regulatory Affairs		1,252,299	80	18,827	16,887	1,986	7,349				0	264	0
Sub-total		30,044,319	1,574	266,370	244,614	52,510	151,233				0	9,575	0
B. OPERATIONS AND MAINTENANCE													
Communication System		128,099	9	8,070	2,398	1,112	10,781				0	0	0
Distribution Maintenance		6,727,064	285	110,984	200,001	9,616	34,019				0	0	0
Load Forecast		103,189	0	1,612	179	358	3,583				0	0	0
Metering		346,552	262	2,360	262	525	5,245				0	0	0
Plant Failures & Emergencies		222,899	7	62	7	14	138				0	0	0
Quality Assessment		430,204	20	7,720	14,644	704	2,244				0	0	0
Regulating Station Maintenance		4,902,626	627	235,863	0	2	38,454				0	0	0
System Performance & Reliability		2,556,427	150	57,346	150,948	7,257	21,029				0	0	0
Sub-total		15,417,060	1,360	424,018	368,439	19,588	115,493				0	0	0
C. ORGANIZATIONAL SUPPORT													
Corporate Governance		2,206,838	123	26,236	29,760	3,500	13,004				0	465	0
Corporate Infrastructure		4,409,326	283	66,288	59,460	6,993	25,875				0	929	0
Corporate Services		2,031,492	130	30,541	27,395	3,222	11,921				0	428	0
Departmental Support		5,928,842	380	89,132	79,951	9,403	34,752				0	1,249	0
Operational Management		1,572,837	101	23,645	21,210	2,494	9,230				0	331	0
Sub-total		16,149,336	1,017	235,842	217,776	25,612	94,822				0	3,401	0
D. ADJUSTMENTS TO INCOME													
Corporate Alloc. & Adj.		-698,741	-45	-10,505	-9,423	-1,108	-4,100				0	-147	0
Depreciation, Interest, Taxes		-2,212,185	-142	-33,257	-29,832	-3,508	-12,982				0	-466	0
Sub-total		-2,910,927	-187	-43,762	-39,254	-4,617	-17,082				0	-613	0
Total Operating & Administrative Expenses		58,699,788	3,764	882,469	791,575	93,094	344,466				0	12,364	0



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Centra Gas Manitoba Inc.
2019/20 General Rate Application-Reflecting Order 152/19
Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated Dollars	Direct Assignment Factor	Total Direct Assignment	Balance to be Allocated	Allocation Factor	Residential SGS-R	Small Commercial SGS-C	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF
IV. DEPRECIATION & AMORTIZATION											
Depreciation Expense		15,733,914		0	15,733,914		7,859,822	1,647,142	9,506,964	4,499,942	819,210
Amortization of Cust. Contributions		-1,130,083		0	-1,130,083		-105,344	49,023	-56,321	-288,076	-148,564
Depreciation: Common Assets		4,547,217		0	4,547,217		3,024,688	316,029	3,340,717	747,793	213,183
Amortization Expense (Deferreds)		1,806,963		0	1,806,963		1,056,608	153,656	1,210,265	407,765	90,333
Demand Side Management Amortization Expense (Deferred)		9,945,608		0	9,945,608		4,276,611	1,491,841	5,768,452	3,779,331	298,368
Furnace Replacement Program		0		0	0		0	0	0	0	0
Ex-Franchise Depreciation & Amortization		0		0	0		0	0	0	0	0
Total Depreciation & Amortization Expenses		30,903,618		0	30,903,618		16,112,385	3,657,691	19,770,077	9,146,755	1,272,529
V. CAPITAL & OTHER TAXES											
Municipal Taxes		12,550,000		0	12,550,000		7,338,522	1,067,198	8,405,720	2,832,074	627,392
Payroll Tax		839,629		0	839,629		558,499	58,354	616,853	138,078	39,363
Taxes on Common Assets		93,000		0	93,000		52,911	8,483	61,394	22,667	4,598
Corporate Capital Tax		3,328,722		0	3,328,722		1,893,835	303,616	2,197,451	811,319	164,575
Business Taxes		0		0	0		0	0	0	0	0
Other		0		0	0		0	0	0	0	0
Income Taxes		3,192,741		0	3,192,741		1,816,470	291,213	2,107,684	778,176	157,852
Total Taxes		20,004,092		0	20,004,092		11,660,237	1,728,864	13,389,101	4,582,313	993,780
VI. FINANCE EXPENSE		20,831,389		0	20,831,389		11,924,184	1,897,923	13,822,107	5,027,368	1,013,540
VII. CORPORATE ALLOCATION		12,000,000		0	12,000,000		6,868,971	1,093,306	7,962,277	2,896,034	583,853
VIII. NET INCOME (LOSS)		2,999,932		0	2,999,932		1,717,204	273,320	1,990,524	723,992	145,960
COST OF SERVICE SUMMARY											
COST OF GAS		184,960,559		0	184,960,559		24,692,523	4,719,347	29,411,870	22,461,627	6,314,726
OTHER REVENUE		-1,078,535		0	-1,078,535		-855,408	-73,257	-928,666	-93,572	-26,280
OPERATING EXPENSES											
Customer Service & Corporate Relations		30,044,319		4,759,775	25,284,544		21,852,036	1,895,394	23,747,431	3,707,892	1,056,326
Operations & Maintenance		15,417,060		355,151	15,061,909		8,384,735	1,263,585	9,648,321	3,765,612	1,074,228
Organizational Support		16,149,336		0	16,149,336		10,745,035	1,122,931	11,867,966	2,658,522	757,878
Adjustments to Income		-2,910,927		0	-2,910,927		-1,936,271	-202,308	-2,138,579	-478,704	-136,470
Sub-total		58,699,788		5,114,926	53,584,862		39,045,536	4,079,603	43,125,139	9,653,221	2,751,962
DEPRECIATION & AMORTIZATION		30,903,618		0	30,903,618		16,112,385	3,657,691	19,770,077	9,146,755	1,272,529
CAPITAL & OTHER TAXES		20,004,092		0	20,004,092		11,660,237	1,728,864	13,389,101	4,582,313	993,780
FINANCE EXPENSE		20,831,389		0	20,831,389		11,924,184	1,897,923	13,822,107	5,027,368	1,013,540
CORPORATE ALLOCATION		12,000,000		0	12,000,000		6,868,971	1,093,306	7,962,277	2,896,034	583,853
NET INCOME		2,999,932		0	2,999,932		1,717,204	273,320	1,990,524	723,992	145,960
COST OF SERVICE		329,320,844		5,114,926	324,205,918		111,165,632	17,376,796	128,542,428	54,397,740	13,050,070

Centra Gas Manitoba Inc.
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Allocation Results of Cost of Service Elements
2019/20 Test Year

Account Description	Account Code	Total Allocated						Primary Gas PG	Firm Supplemental FSP	Interruptible Supplemental ISP	Ex-Franchise Customers EXF	Fixed Price Offering FPO	Broker BRK	
		Dollars	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT							
IV. DEPRECIATION & AMORTIZATION														
Depreciation Expense		15,733,914	909	276,999	478,525	56,436	93,212					0	20	0
Amortization of Cust. Contributions		-1,130,083	-278	-87,336	-387,602	-128,941	-32,964					0	0	0
Depreciation: Common Assets		4,547,217	292	68,361	61,320	7,212	26,684					0	958	0
Amortization Expense (Deferreds)		1,806,963	98	29,043	53,529	6,292	9,639					0	0	0
Demand Side Management Amortization Expense (Deferred)		9,945,608	0	99,456	0	0	0					0	0	0
Furnace Replacement Program		0	0	0	0	0	0					0	0	0
Ex-Franchise Depreciation & Amortization		0	0	0	0	0	0					0	0	0
Total Depreciation & Amortization Expenses		30,903,618	1,020	386,523	205,772	-59,003	96,571					0	978	0
V. CAPITAL & OTHER TAXES														
Municipal Taxes		12,550,000	678	201,715	371,778	43,697	66,946					0	0	0
Payroll Tax		839,629	54	12,623	11,323	1,332	4,927					0	177	0
Taxes on Common Assets		93,000	5	1,153	1,863	239	556					0	1	0
Corporate Capital Tax		3,328,722	163	41,268	66,680	8,544	19,904					0	18	0
Business Taxes		0	0	0	0	0	0					0	0	0
Other		0	0	0	0	0	0					0	0	0
Income Taxes		3,192,741	157	39,582	63,956	8,195	19,091					0	17	0
Total Taxes		20,004,092	1,057	296,341	515,599	62,007	111,424					0	213	0
VI. FINANCE EXPENSE		20,831,389	1,016	255,861	417,288	53,472	122,973					0	113	0
VII. CORPORATE ALLOCATION		12,000,000	585	147,390	240,380	30,803	70,839					0	65	0
VIII. NET INCOME (LOSS)		2,999,932	146	36,847	60,094	7,700	17,709					0	16	0
COST OF SERVICE SUMMARY														
COST OF GAS		184,960,559	10,632	227,867			838,212					0	50,252	0
OTHER REVENUE		-1,078,535	-36	-8,348	-7,470	-915	-3,310					0	-117	0
OPERATING EXPENSES														
Customer Service & Corporate Relations		30,044,319	1,574	266,370	244,614	52,510	151,233					0	9,575	0
Operations & Maintenance		15,417,060	1,360	424,018	368,439	19,588	115,493					0	0	0
Organizational Support		16,149,336	1,017	235,842	217,776	25,612	94,822					0	3,401	0
Adjustments to Income		-2,910,927	-187	-43,762	-39,254	-4,617	-17,082					0	-613	0
Sub-total		58,699,788	3,764	882,469	791,575	93,094	344,466					0	12,364	0
DEPRECIATION & AMORTIZATION		30,903,618	1,020	386,523	205,772	-59,003	96,571					0	978	0
CAPITAL & OTHER TAXES		20,004,092	1,057	296,341	515,599	62,007	111,424					0	213	0
FINANCE EXPENSE		20,831,389	1,016	255,861	417,288	53,472	122,973					0	113	0
CORPORATE ALLOCATION		12,000,000	585	147,390	240,380	30,803	70,839					0	65	0
NET INCOME		2,999,932	146	36,847	60,094	7,700	17,709					0	16	0
COST OF SERVICE		329,320,844	18,185	2,224,949			1,598,885					0	63,884	0

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CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES SCHEDULES (BASE RATES - 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 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				
		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	\$117,914.17	N/A	N/A
21	Power Station	N/A	N/A	\$8,026.07	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.3074	\$0.1503	\$0.1503	N/A	N/A
25	Cooperative (CO-OP)	\$0.4681	\$0.1298	\$0.1298	N/A	N/A
26	Main Line Class (MLC)	\$0.5456	\$0.1576	\$0.1576	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0048	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m³)					
31	Small General Class (SGC)	\$0.0538	\$0.0866	N/A	\$0.0800	\$0.1559
32	Large General Class (LGC)	\$0.0516	\$0.0357	N/A	\$0.0800	\$0.1559
33	High Volume Firm (HVF)	\$0.0196	\$0.0073	\$0.0073	\$0.0800	\$0.1559
34	Cooperative (CO-OP)	\$0.0057	\$0.0001	\$0.0001	\$0.0800	\$0.1559
35	Main Line Class (MLC)	\$0.0060	\$0.0012	\$0.0012	\$0.0800	\$0.1559
36	Special Contract	N/A	N/A	\$0.0001	N/A	N/A
37	Power Station	N/A	N/A	\$0.0083	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 Aug 1, 2019.				
44						

Approved by Board Order: 102/19
Effective from: Aug 1, 2019
Date Implemented Aug 1, 2019

Supersedes Board Order: 47/19
Supersedes: May 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATES SCHEDULES (BASE RATES - 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 680,000 m ³ and who contracts for such service for a minimum of one year, or				
4		who received Interruptible Service continuously since December 31, 1996. Service				
5		under this rate shall be limited to the extent that the Company considers it has available				
6		natural gas supplies and/or capacity to provide delivery service.				
7						
8						
9	Rates:	<u>Distribution to Customers</u>				
		<u>Transportation</u>			<u>Primary Gas</u>	<u>Supplemental</u>
		<u>to</u>			<u>Supply</u>	<u>Gas</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>		<u>Supply</u> ¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.72	\$1,042.72	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.1429	\$0.0772	\$0.0772	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.2199	\$0.1576	\$0.1576	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0115	\$0.0066	\$0.0066	\$0.0800	\$0.1560
21	Mainline Interruptible (with firm delivery)	\$0.0061	\$0.0012	\$0.0012	\$0.0800	\$0.1560
22						
23	Alternate Supply Service:			Negotiated		
24	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
25	Delivery - Interruptible Class			\$0.0092		
26	Delivery - Mainline Interruptible Class			\$0.0064		
27						
28	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
29						
30	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
31						
32	Effective:	Rates to be charged for all billings based on gas consumed on and after Aug 1, 2019.				
33						

Approved by Board Order: 102/19
Effective from: Aug 1, 2019
Date Implemented Aug 1, 2019

Supersedes Board Order: 47/19
Supersedes: May 1, 2019 Rates

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES 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:	<u>Distribution to Customers</u>			
		<u>Transportation</u>		<u>Primary Gas</u>	<u>Supplemental</u>
		<u>to</u>		<u>Supply</u>	<u>Gas</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply¹</u>
13					
14	Basic Monthly Charge: (\$/month)				
15	Small General Class (SGC)	N/A	\$14.00	N/A	N/A
16	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A
17	High Volume Firm (HVF)	N/A	\$1,118.31	\$1,118.31	N/A
18	Cooperative (CO-OP)	N/A	\$274.06	\$274.06	N/A
19	Main Line Class (MLC)	N/A	\$2,353.33	\$2,353.33	N/A
20	Special Contract	N/A	N/A	\$117,914.17	N/A
21	Power Station	N/A	N/A	\$8,026.07	N/A
22					
23	Monthly Demand Charge (\$/m³/month)				
24	High Volume Firm Class (HVF)	\$0.3074	\$0.1503	\$0.1503	N/A
25	Cooperative (CO-OP)	\$0.4681	\$0.1298	\$0.1298	N/A
26	Main Line Class (MLC)	\$0.5456	\$0.1576	\$0.1576	N/A
27	Special Contract	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0048	N/A
29					
30	Commodity Volumetric Charge: (\$/m³)				
31	Small General Class (SGC)	\$0.0538	\$0.0866	N/A	\$0.1559
32	Large General Class (LGC)	\$0.0516	\$0.0357	N/A	\$0.1559
33	High Volume Firm (HVF)	\$0.0196	\$0.0073	\$0.0073	\$0.1559
34	Cooperative (CO-OP)	\$0.0057	\$0.0001	\$0.0001	\$0.1559
35	Main Line Class (MLC)	\$0.0060	\$0.0012	\$0.0012	\$0.1559
37	Special Contract	N/A	N/A	\$0.0001	N/A
38	Power Station	N/A	N/A	\$0.0083	N/A
39					

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

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

45 **Effective:** Rates to be charged for all billings based on gas consumed on and after Aug 1, 2019.

Approved by Board Order: 102/19
Effective from: Aug 1, 2019
Date Implemented Aug 1, 2019

Supersedes Board Order: 47/19
Supersedes: May 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATES 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 680,000 m 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						
6						
7						
8						
9	Rates:	Distribution to Customers				
		Transportation to Centra	Sales Service	T-Service	Primary Gas Supply	Supplemental Gas Supply¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.72	\$1,042.72	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$2,353.33	\$2,353.33	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.1429	\$0.0772	\$0.0772	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.2199	\$0.1576	\$0.1576	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0115	\$0.0066	\$0.0066	\$0.0852	\$0.1560
21	Mainline Interruptible (with firm delivery)	\$0.0061	\$0.0012	\$0.0012	\$0.0852	\$0.1560
22						
23	Alternate Supply Service:			Negotiated		
24	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
25	Delivery - Interruptible Class			\$0.0092		
26	Delivery - Mainline Interruptible Class			\$0.0064		
27						
28	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
29						
30						
31	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
32						
33	Effective:	Rates to be charged for all billings based on gas consumed on and after Aug 1, 2019.				
34						

Approved by Board Order: 102/19
 Effective from: Aug 1, 2019
 Date Implemented Aug 1, 2019

Supersedes Board Order: 47/19
 Supersedes: May 1, 2019 Rates

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:	<u>Distribution to Customers</u>				
		<u>Transportation</u>			<u>Supplemental</u>	
		<u>to</u>			<u>Gas</u>	
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply</u>	<u>Supply¹</u>
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	\$1,017.72	\$1,017.72	N/A	N/A
18	Cooperative (CO-OP)	N/A	\$221.87	\$221.87	N/A	N/A
19	Main Line Class (MLC)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
20	Special Contract	N/A	N/A	\$187,692.71	N/A	N/A
21	Power Station	N/A	N/A	\$6,307.49	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.2657	\$0.1799	\$0.1799	N/A	N/A
25	Cooperative (CO-OP)	\$0.4237	\$0.1614	\$0.1614	N/A	N/A
26	Main Line Class (MLC)	\$0.3802	\$0.2260	\$0.2260	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0036	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m³)					
31	Small General Class (SGC)	\$0.0452	\$0.0744	N/A	\$0.0842	\$0.1384
32	Large General Class (LGC)	\$0.0437	\$0.0427	N/A	\$0.0842	\$0.1384
33	High Volume Firm (HVF)	\$0.0141	\$0.0099	\$0.0099	\$0.0842	\$0.1384
34	Cooperative (CO-OP)	\$0.0025	\$0.0001	\$0.0001	\$0.0842	\$0.1384
35	Main Line Class (MLC)	\$0.0027	\$0.0016	\$0.0016	\$0.0842	\$0.1384
36	Special Contract	N/A	N/A	\$0.0001	N/A	N/A
37	Power Station	N/A	N/A	\$0.0205	N/A	N/A
38						

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

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

Effective: Rates to be charged for all billings based on gas consumed on and after November 1, 2019

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE 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:	For any consumer at one location whose annual natural gas requirements equal or				
4		exceed 680,000 m ³ and who contracts for such service for a minimum of one year, or				
5		who received Interruptible Service continuously since December 31, 1996. Service				
6		under this rate shall be limited to the extent that the Company considers it has available				
7		natural gas supplies and/or capacity to provide delivery service.				
8						
9	Rates:	Distribution to Customers				
		Transportation			Primary Gas	Supplemental
		to			Supply	Gas
		Centra	Sales Service	T-Service		Supply¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.25	\$1,042.25	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.1344	\$0.0870	\$0.0870	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.2068	\$0.2260	\$0.2260	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0077	\$0.0067	\$0.0067	\$0.0842	\$0.1392
21	Mainline Interruptible (with firm delivery)	\$0.0028	\$0.0016	\$0.0016	\$0.0842	\$0.1392
22						
23	Alternate Supply Service:			Negotiated		
24	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
25	Delivery - Interruptible Class			\$0.0096		
26	Delivery - Mainline Interruptible Class			\$0.0090		
27						
28	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
29						
30	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
31						
32	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019				
33						

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES 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 to natural gas distribution cooperatives
7	CO-OP:	For gas delivered through one meter at annual volumes greater than 680,000 m ³
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:	<u>Distribution to Customers</u>				
		<u>Transportation</u>			<u>Primary Gas</u>	<u>Supplemental</u>
		<u>to</u>			<u>Supply</u>	<u>Gas</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>		<u>Supply</u> ¹
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	\$1,017.72	\$1,017.72	N/A	N/A
18	Cooperative (CO-OP)	N/A	\$221.87	\$221.87	N/A	N/A
19	Main Line Class (MLC)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
20	Special Contract	N/A	N/A	\$187,692.71	N/A	N/A
21	Power Station	N/A	N/A	\$6,307.49	N/A	N/A
22						
23	Monthly Demand Charge (\$/m³/month)					
24	High Volume Firm Class (HVF)	\$0.4905	\$0.1809	\$0.1809	N/A	N/A
25	Cooperative (CO-OP)	\$0.4237	\$0.1614	\$0.1614	N/A	N/A
26	Main Line Class (MLC)	\$0.1073	\$0.2264	\$0.2264	N/A	N/A
27	Special Contract	N/A	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0036	N/A	N/A
29						
30	Commodity Volumetric Charge: (\$/m³)					
31	Small General Class (SGC) ²	\$0.0419	\$0.0628	N/A	\$0.0910	\$0.1384
32	Large General Class (LGC)	\$0.0430	\$0.0312	N/A	\$0.0910	\$0.1384
33	High Volume Firm (HVF)	\$0.0141	\$0.0099	\$0.0086	\$0.0910	\$0.1384
34	High Volume Firm (HVF) Refund	-\$0.0296	-\$0.0123			
35	Cooperative (CO-OP)	\$0.0025	\$0.0001	\$0.0001	\$0.0910	\$0.1384
36	Main Line Class (MLC)	\$0.0129	\$0.0016	\$0.0016	\$0.0910	\$0.1384
37	Main Line Class (MLC) Refund		-\$0.0135	-\$0.0025		
38	Special Contract	N/A	N/A	\$0.0001	N/A	N/A
39	Power Station	N/A	N/A	\$0.0205	N/A	N/A
40						

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

² SGC Customers also receive a refund (shown as a separate line item) of \$0.0259/m³ effective Nov 1, 2019 related to the Furnace Replacement Program as per Order 152/19.

44		
45	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.
46		
47	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATES 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 680,000 m ³ and who contracts for such service for a minimum of one year, or				
4		who received Interruptible Service continuously since December 31, 1996. Service				
5		under this rate shall be limited to the extent that the Company considers it has available				
6		natural gas supplies and/or capacity to provide delivery service.				
7						
8						
9	Rates:	Distribution to Customers				
		Transportation			Primary Gss	Supplemental
		to			Supply	Gas
		Centra	Sales Service	T-Service		Supply¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.25	\$1,042.25	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.2479	\$0.0877	\$0.0877	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.3814	\$0.2264	\$0.2264	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0033	\$0.0067	\$0.0067	\$0.0910	\$0.1392
21	Interruptible Service Refund		-\$0.0201	-\$0.0070		
22	Mainline Interruptible (with firm delivery)	-\$0.0043	\$0.0016	\$0.0016	\$0.0910	\$0.1392
23						
24	Alternate Supply Service:			Negotiated		
25	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
26	Delivery - Interruptible Class			\$0.0096		
27	Delivery - Mainline Interruptible Class			\$0.0090		
28						
29	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
30						
31						
32	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
33						
34	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019				
35						

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

Centra Gas Manitoba Inc.
 2019/20 GRA Rates Application-Reflecting Order 152/19
 Gas & Non-Gas Components of Base Rates

Schedule 11.4.0
 October 25, 2019

	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT	Main Line Interruptible ML-INT	
6 Aug 1/19 Approved Base Rates										
8	BMC Rate	\$14.00	\$77.00	\$1,118.31	\$274.06	\$2,353.33	\$117,914.17	\$8,026.07	\$1,042.72	\$2,353.33
10	<i>Demand</i>									
11	Transportation to Centra (Gas)			301.21	458.25	534.63	-	-	140.01	215.41
12	Transportation to Centra (Non-Gas)			6.18	9.88	10.98	-	-	2.92	4.50
13	Transportation to Centra (Total)			307.39	468.13	545.62	-	-	142.94	219.90
14	M3			0.3074	0.4681	0.5456	-	-	0.1429	0.2199
16	Distribution to Customer (Gas)			0.79	1.17	1.35	-	0.52	0.42	1.35
17	Distribution to Customer (Non-Gas)			149.52	128.61	156.26	-	4.28	76.80	156.26
18	Distribution to Customer (Total)			150.31	129.78	157.61	-	4.79	77.22	157.61
19	M3			0.1503	0.1298	0.1576	-	0.0048	0.0772	0.1576
21	<i>Commodity</i>									
22	Transportation to Centra (Gas)	46.75	44.60	14.69	1.10	1.41	-	-	6.85	1.51
23	Transportation to Centra (Non-Gas)	7.11	7.09	4.83	4.53	4.54	-	-	4.68	4.56
24	Transportation to Centra (Total)	53.87	51.69	19.52	5.63	5.95	-	-	11.53	6.07
25	M3	0.0538	0.0516	0.0196	0.0057	0.0060	-	-	0.0115	0.0061
27	Distribution to Customer (Gas)	1.36	1.26	0.92	-	1.21	0.14	8.30	3.75	1.21
28	Distribution to Customer (Non-Gas)	85.22	34.46	6.39	-	0.01	0.00	0.09	2.90	0.01
29	Distribution to Customer (Total)	86.59	35.72	7.32	-	1.22	0.14	8.39	6.64	1.22
30	M3	0.0866	0.0357	0.0073	0.0001	0.0012	0.0001	0.0083	0.0066	0.0012

Centra Gas Manitoba Inc.
2019/20 GRA Rates Application-Reflecting Order 152/19
Gas & Non-Gas Components of Base Rates

Schedule 11.4.1
October 25, 2019

	Small Gen. Service SGS-Total	Large Gen Service LGS	High Volume HVF	Cooperative CO-OP	Main Line ML	Special Contracts SC	Power Stations GS	Interruptible INT	Main Line Interruptible ML-INT	
6 November 1 /19 Proposed Base Rates										
8	BMC Rate	\$14.00	\$77.00	\$1,017.72	\$221.87	\$1,082.93	\$187,692.71	\$6,307.49	\$1,042.25	\$1,082.93
10	<i>Demand</i>									
11	Transportation to Centra (Gas)			255.51	407.53	365.71	-	-	129.28	198.89
12	Transportation to Centra (Non-Gas)			10.16	16.20	14.54	-	-	5.14	7.91
13	Transportation to Centra (Total)			265.66	423.73	380.25	-	-	134.42	206.80
14	M3			0.2657	0.4237	0.3802	-	-	0.1344	0.2068
16	Distribution to Customer (Gas)			0.73	1.14	1.44	-	0.14	0.39	1.44
17	Distribution to Customer (Non-Gas)			179.19	160.23	224.51	-	3.49	86.56	224.51
18	Distribution to Customer (Total)			179.92	161.38	225.95	-	3.62	86.95	225.95
19	M3			0.1799	0.1614	0.2260	-	0.0036	0.0870	0.2260
21	<i>Commodity</i>									
22	Transportation to Centra (Gas)	42.05	40.61	12.12	0.99	1.16	-	-	5.96	1.24
23	Transportation to Centra (Non-Gas)	3.18	3.12	1.99	1.54	1.55	-	-	1.74	1.55
24	Transportation to Centra (Total)	45.23	43.73	14.11	2.53	2.71	-	-	7.70	2.79
25	M3	0.0452	0.0437	0.0141	0.0025	0.0027	-	-	0.0077	0.0028
27	Distribution to Customer (Gas)	1.05	0.95	0.72	-	0.75	0.11	20.45	3.52	0.75
28	Distribution to Customer (Non-Gas)	\$73.32	\$41.77	9.22	-	0.85	0.00	0.08	3.17	0.85
29	Distribution to Customer (Total)	74.36	42.72	9.94	-	1.60	0.11	20.53	6.70	1.60
30	M3	0.0744	0.0427	0.0099	0.0001	0.0016	0.0001	0.0205	0.0067	0.0016

Primary costs based on 100% of cost change

(based on forward market strip as at October 2, 2019 close)

	Average Cost \$/GJ	Test Year Volumes GJ's	Weighting
1 <u>Updated 12-Month Forward Primary Gas Cost</u>			
2 Primary Gas direct to load		1a	
3 Primary Gas in storage supply to load		1a	1d
4 Primary Gas Weighted Average Cost	\$/GJ		100%
5			
6 <u>Primary Gas Base Rate</u>			
7 Weighted Primary Gas Cost			
8 Existing Rate	\$2.047		
9 With Current Strip	\$2.171		
10 Change	\$0.124		
11 100% of change	\$0.124		
12 Primary Gas Cost	\$/GJ		\$2.171
13			
14 Updated Weighted Cost Component (line 12 * 37.80)	\$82.10		
15 TCPL Compressor Fuel	\$1.10		
16 Gas Overhead Component	\$0.95		
17 Primary Gas Base Rate	\$/10 ³ m ³		\$84.15
18			
19 <u>Calculation of Primary Gas PGVA Rate Rider - November 1, 2019 to October 31, 2020</u>			
20 Primary Gas PGVA Balance at October 31, 2019 (estimated)		1e	
21 Annual Sales Supplied by Primary Gas	10 ³ m ³	1d	
22 Primary Gas PGVA Rate Rider	\$/10 ³ m ³		\$6.80
23			
24 Primary Gas Billed Rate	\$/10 ³ m ³		\$90.95

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1 I. TERRITORY SERVED

2
3 This Schedule of Sales and Transportation Services and Rates applies to the following territory:
4

District	Zone*	Area Definition
Eastman	4	Ste. Anne, Ste. Anne (R.M.), Blumenort, New Bothwell, Niverville, Steinbach (City), Hanover (R.M.), Otterburne, St. Pierre-Jolys (Village), Grunthal, Desalaberry (R.M.), La Broquerie (R.M.), Ritchot (R.M.), Mitchell, St. Malo, Dufrost, Hadashville, La Broquerie, Ste. Agathe, Marchand, Zhoda, Sarto, Kleefeld, Landmark and St. Adolphe for URD locates only; Altona (Town), St. Joseph, Letellier, Montcalm (R.M.), Dominion City, Franklin (R.M.), Elm Creek, Dufferin (R.M.), Garman (Town), Stanley (R.M.), Morden (Town), Winkler (Town), Plum Coulee (Village), Rhineland (R.M.), Rosenort (U.V.D.), Schanzenfeld, Emerson (Town), Gnadefeld, Gretna (Village), Morris (Town), Reinfeld, Grey (R.M.), Morris (R.M.), St. Jean Baptiste, Beausejour, Chortitz (Village);
Interlake	4	Portage la Prairie (City), Portage la Prairie (R.M.), MacGregor (Village), St. Claude (Village), North Norfolk (R.M.), Grey (R.M.), Southport (C.F.B.), Oakville, Cartier (R.M.), Elie, Starbuck, Dakota TIPI First Nation, Elm Creek;
Parkland	1 2 3 4	Dauphin (Town), Dauphin (R.M.), Gladstone (Town), North Norfolk (R.M.), Westbourne (R.M.); Gilbert Plains, Gilbert Plains (R.M.), Grandview (Town), Grandview (R.M.), St. Lazare (Village), Neepawa (Town), Miniota (R.M.), Miniota, Roblin (Town), Shell River (R.M.), Inglis, Shellmouth (R.M.), Boulton (R.M.), Russell (Town), Russell (R.M.), Harrowby, Binscarth (Village), Minnedosa (Town), Ellice (R.M.), Archie (R.M.), Shoal Lake (Town), Shoal Lake (R.M.);
Westman	3 4	Langford (R.M.), North Cypress (R.M.), Virden, Hartney (Town), Cameron (R.M.), Melita (Town), Arthur (R.M.), Glendwood (R.M.), Pipestone (R.M.), Souris (Town), Odanah (R.M.), Brandon (City), Cornwallis (R.M.), Elton (R.M.), Forrest, Garberry, North Cypress (R.M.), Shilo (C.F.B) Rivers (Town), 00-ZA-WE-KWUN, Odanah (R.M.), Hamiota (R.M.), Wallace (R.M.), Boissevain (Town), Morton (R.M.), Killarney (Town), Turtle Mountain (R.M.), Deloraine (Town), Winchester (R.M.), Elkhorn (Village), Hamiota (Village), Minto (R.M.), Kola;
Winnipeg East	4	Winnipeg, Headingley, Ile Des Chênes, LaSalle, Landmark, Lorette, Dugald, Oakbank, Tyndall, Garson, Stonewall, Stony Mountain, Selkirk, Clandeboye, Petersfield, Matlock, Winnipeg Beach (Town), Gimli (R.M.), East St. Paul (R.M.), West St. Paul (R.M.), Lockport, Birds Hill, Oak Bluff, Brokenhead (R.M.), MacDonald (R.M.), Richot (R.M.), Rockwood (R.M.), Rosser (R.M.), Springfield (R.M.), St. Andrews (R.M.), St. Clements (R.M.), Tache (R.M.), Sandy Hook, St. Adolphe, Gimli (Town), Reynolds (L.G.D.), Sanford, Ste. Agathe, Toulon (Town), Dunnottar (Village), Bifrost (R.M.), Arborg (Town), Riverton (Village), Woodlands (R.M.).

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<u>Zone</u>	<u>Area Definition</u>
<u>1</u>	<u>Ste. Anne (Town), Ste. Anne, (R.M.), Niverville (Town), Steinbach (City), Hanover (R.M.), St. Pierre-Jolys (Village), Desalaberry (R.M.), La Broquerie (R.M.), Ritchot (R.M.), Altona (Town), Montcalm (R.M.), Emerson-Franklin Municipality, Dufferin (R.M.), Carman (Town), Stanley (R.M.), Morden (City), Winkler (City), Rhineland Municipality, Morris (Town), Grey (R.M.), Morris (R.M.), Beausejour (Town), Thompson (R.M.), Roland (R.M.), Piney (R.M.); Portage la Prairie (City), Portage la Prairie (R.M.), Long Plain Madison First Nation, North Norfolk Municipality, Cartier (R.M.), Dakota TIPI First Nation, Norfolk Treherne Municipality, Winnipeg (City), Headingley (R.M.), Stonewall (Town), Selkirk (City), Winnipeg Beach (Town), Gimli (R.M.), East St. Paul (R.M.), West St. Paul (R.M.), Brokenhead (R.M.), MacDonald (R.M.), Richot (R.M.), Rockwood (R.M.), Rosser (R.M.), Springfield (R.M.), St. Andrews (R.M.), St. Clements (R.M.), Tache (R.M.), Reynolds (R.M.), Teulon (Town), Dunnottar (Village), Bifrost-Riverton Municipality, Arborg (Town), Woodlands (R.M.), Dauphin (City), Dauphin (R.M.), Roseau River Anishinabe First Nation</u>
<u>2</u>	<u>WestLake-Gladstone Rural Municipality, Glenella-Lansdowne Municipality, North Norfolk Municipality, Swan Valley West Municipality, Swan River (Town), Minitonas-Bowsman Municipality, North Norfolk Municipality, Dauphin (R.M.), Gilbert Plains Municipality, Cornwallis (R.M.)</u>
<u>3</u>	<u>Gilbert Plains Municipality, Grandview Municipality, Ellice-Archie (R.M.), Neepawa (Town), Prairie View Municipality, North Cypress-Langford Municipality, Virden (Town), Hartney (Town), Grassland Municipality, Melita (Town), Two Borders Municipality, Pipestone (R.M.), Souris-Glenwood Municipality, Minto-Odanah (R.M.), Brandon (City), Cornwallis (R.M.), Elton (R.M.), Carberry (Town), Swan Lake First Nation, North Norfolk Municipality, Dauphin (R.M.), Killarney-Turtle Mountain Municipality, Grassland Municipality, Deloraine-Winchester Municipality, Wallace-Woodworth (R.M.), Prairie View Municipality</u>
<u>4</u>	<u>Roblin Municipality, Riding Mountain West (R.M.), Russell-Binscarth Municipality, Minnedosa (Town), Ellice-Archie (R.M.), Yellowhead (R.M.), Rosedale (R.M.), Riverdale Municipality, Minto-Odanah (R.M.), Hamiota Municipality, Wallace-Woodworth (R.M.), Boissevain-Morton Municipality, Killarney-Turtle Mountain Municipality, Deloraine-Winchester Municipality, Hamiota Municipality, Grassland Municipality, Prairie View Municipality, Pipestone (R.M.), Minto-Odanah (R.M.)</u>
<u>5</u>	<u>Minto-Odanah (R.M.)</u>

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Note: See Section IV General Terms and Conditions D) 12) b).

1 **II. DEFINITION OF TERMS**

2
3 Except where the context expressly states another meaning, the following terms, when used in
4 this Schedule of Sales and Transportation Services and Rates, shall have the following
5 meanings:
6

- 7 A) "10³m³" means 1,000 Cubic Meters of gas.
8
9 B) "AGENCY AGREEMENT" means an agreement between a Customer and Broker, which
10 at a minimum, authorizes and requires the Broker to act on the Customer's behalf with
11 respect to natural gas service.
12
13 C) "AGENCY BILLING AND COLLECTION SERVICE" (or "ABC SERVICE") means a
14 service wherein the Company bills the Customer for gas sold by the Broker to the
15 Customer.
16
17 D) "AGENT" means a gas supply Broker acting on behalf of a Customer.
18
19 E) "ALBERTA BORDER" means the location(s) in Alberta and Saskatchewan, where
20 natural gas can be accepted into the TransCanada PipeLine system.
21
22 F) "ALTERNATE SUPPLY SERVICE" means any supply or source of gas that the
23 Company may offer from time to time, in lieu of curtailment, to Interruptible Sales Service
24 Customers.
25
26 G) "ANNUAL QUANTITY DIFFERENCE" means, for purposes of Western Transportation
27 Service, the sum of the monthly Quantity Differences for the twelve months of the Gas
28 Year.
29
30 H) "AUTHORIZED SALES VOLUME" means the volume of gas which the Company agrees
31 to sell to the Customer on a given day as specified in a Contract.
32
33 I) "BACKSTOP GAS" means that quantity of gas agreed upon by the Company and the
34 Broker and/or Customer which is to supplement, in whole or in part, an impairment to
35 gas deliveries to the Company by or for the Broker and/or Customer.
36
37 J) "BASE RATE" means the rate charged for a Service, not including any rate riders or
38 other adjustment factors.
39
40 K) "BASIC MONTHLY CHARGE" means a fixed monthly charge that reflects a portion of
41 the costs of being connected to the gas distribution system and is not related to the
42 volume of gas consumed.
43
44 L) "BOARD" means the Public Utilities Board of Manitoba.
45
46 M) "BROKER" means an entity authorized by the Public Utilities Board of Manitoba to sell
47 natural gas commodity.
48

- 1 N) "BROKER'S PRIMARY GAS PRICE" means the retail price charged by a Broker to a
2 Customer for sales of Primary Gas which is used by the Company to bill the Customer
3 under ABC Service.
4
- 5 O) "BUSINESS DAY" means any calendar day exclusive of Saturdays and Sundays and
6 exclusive of days which are statutory or legal holidays under the laws of Manitoba.
7
- 8 P) "COMPANY" means Centra Gas Manitoba Inc. and its successors and assigns.
9
- 10 Q) "CONTRACT YEAR" means a period of 12 or fewer consecutive months ending on
11 October 31.
12
- 13 R) "CONTRACT" means, for the purposes of these Terms and Conditions of Service and
14 the Rate Schedules into which they are incorporated, an agreement to provide service
15 either implied, written, or oral.
16
- 17 S) "CUBIC METER - DAY" ("m³/day") means the maximum volume of gas consumed in a
18 single 24 hour period.
19
- 20 T) "CUBIC METER" ("m³") means the volume of gas which occupies one cubic meter when
21 such gas is at a temperature of 15.56 degrees Celsius, and at a pressure of 101.560
22 kilopascals absolute.
23
- 24 U) "CUSTOMER" (or "Consumer") shall include any person, firm, or corporation to whom
25 gas is delivered or any other goods or services, including attachment to the system, are
26 provided by the Company. No person, firm or corporation is a Customer in relation to
27 services provided under a "shared services agreement" or services received in the
28 recipient's capacity as a Broker.
29
- 30 V) "DAY" means a period of 24 consecutive hours beginning and ending at 9:00 a.m., in the
31 time zone in which deliveries are made. The reference date for any day shall be the
32 calendar date on which the 24 hour period shall commence.
33
- 34 W) "DELIVERY POINT" means the location at which the Company shall deliver gas to the
35 Customer.
36
- 37 X) "DELIVERED SERVICE" means natural gas supply purchased by the Company under
38 an arrangement which includes delivery of the natural gas to the Company's
39 transmission and distribution system.
40
- 41 Y) "DELIVERY SERVICE" means the transmission and distribution of natural gas from the
42 Receipt Point to the designated Delivery Point for the Customer.
43
- 44 Z) "FIRM DAILY CONTRACT DEMAND" means the maximum volume of gas which the
45 Company obligates itself to be ready to deliver and/or sell daily to the Customer's
46 Delivery Point on a Firm Service basis.
47
- 48 AA) "FIRM SERVICE" means gas service at one Delivery Point and separately metered
49 where the service may not be curtailed except for Force Majeure.
50

- 1 BB) "FUEL GAS" means the quantity of gas which is required to transport gas along the
2 TransCanada PipeLine system, or any other pipeline or storage system that is separate
3 from the Company's transmission and distribution system.
4
- 5 CC) "GAS" means natural gas having a gross heating value of not less than 36 megajoules
6 per Cubic Meter (950 Btu per cubic foot).
7
- 8 DD) "GAS LOAN" means the quantity of gas that must be exchanged between each
9 individual Broker on behalf of that Broker's Customer(s) and the Company for purposes
10 of reconciling differences between Primary Gas Billed and Primary Gas Delivered under
11 Western Transportation Service.
12
- 13 EE) "GAS LOAN MECHANISM" means a mechanism for the exchange of Primary Gas and
14 financial payments between each individual Broker on behalf of that Broker's
15 Customer(s) and the Company under Western Transportation Service.
16
- 17 FF) "GAS YEAR" means a period of 365 consecutive days beginning on the first day of
18 November; provided however, that any such year which contains a date of February 29
19 shall consist of 366 days.
20
- 21 GG) "GROSS HEATING VALUE" means the total joules expressed in megajoules per Cubic
22 Meter (MJ/m³) produced by the complete combustion at constant pressure of one (1)
23 Cubic Meter of gas with air, with the gas free of water vapor and the temperature of the
24 gas, air and products of combustion to be at standard temperature and all water formed
25 by combustion reaction to be condensed to the liquid state.
26
- 27 HH) "GROUP" means a group of Customers designated by a Broker in a single agreement
28 under Western Transportation Service or ABC Service.
29
- 30 II) "INTERRUPTIBLE DAILY CONTRACT DEMAND" means the maximum volume of gas
31 which the Company obligates itself to be ready to deliver and/or sell daily to the
32 Customer's Delivery Point on an Interruptible Service basis.
33
- 34 JJ) "INTERRUPTIBLE SERVICE" means gas service at one point of delivery and separately
35 metered where, at any time, the service may be interrupted at the sole discretion of the
36 Company.
37
- 38 KK) "INTERCONNECT POINT" means the point on the TransCanada PipeLine system or
39 any other pipeline designated by such pipelines as their point of receipt.
40
- 41 LL) "JOULE" ("J") is the unit of energy measured as the work done when the point of
42 application of force of one newton is displaced a distance of one meter in the direction of
43 the force. The terms megajoule and gigajoule means 1 x 10⁶ and 1 x 10⁹ joules,
44 respectively.
45
- 46 MM) "LOAN PRICE" means the unit price used in determining the Value of the Gas Loan
47 included under Western Transportation Service.
48
- 49 NN) "MAXIMUM DAILY QUANTITY" means the maximum quantity of gas that the Company
50 will nominate on behalf of a Customer from the Customer's supplier for Primary Gas

- 1 supply on a given day. The Maximum Daily Quantity does not include Fuel Gas and
2 may be more than the Customer's Firm Daily Contract Demand.
3
- 4 OO) "MEDIUM PRESSURE" means the pressure that the Company utilizes in its distribution
5 system that is no greater than 60 pounds per square inch.
6
- 7 PP) "MONTH" means the period beginning at 9:00 a.m. on the first Day of the calendar
8 month and ending at the same hour on the first Day of the next succeeding calendar
9 month.
10
- 11 QQ) "MONTHLY BILLING DEMAND" means the highest daily consumption measured in
12 Cubic Meters on any given day of the month, provided the month is a Winter Month, or in
13 any Winter Month of the preceding eleven months. For Customers without twelve
14 months of demand billing data, the Monthly Billing Demand may be estimated or
15 otherwise specified by the Company.
16
- 17 RR) "MONTHLY DEMAND CHARGE" means a monthly charge that reflects the Customer's
18 use of the capacity of the system. The Monthly Demand Charge is calculated as the
19 Monthly Billing Demand for the month multiplied by the applicable unit demand rate.
20
- 21 SS) "NOMINATED VOLUME" means the quantity of gas expressed in gigajoules which the
22 Customer has arranged to deliver to the Receipt Point, and the Company has agreed to
23 receive, in a given day.
24
- 25 TT) "NORMAL YEAR GAS REQUIREMENTS" means the annual gas requirements that
26 would be required under weather conditions determined from a 25-year rolling average
27 as calculated from time to time by the Company.
28
- 29 UU) "PREMISES" means the location specified in an application for service, or such other
30 location to which the Company delivers gas.
31
- 32 VV) "PRIMARY GAS" means the gas requirements that may be served with gas from
33 Western Canada which is received at the Alberta Border.
34
- 35 WW) "PRIMARY GAS BILLED" means the quantity of Primary Gas calculated to have been
36 consumed, as rendered by the Company on bills to Customers, in accordance with the
37 Company's practices.
38
- 39 XX) "PRIMARY GAS DELIVERED" means the quantity of Primary Gas delivered by the
40 Broker to the Company as part of the Western Transportation Service Agreement.
41
- 42 YY) "QUANTITY DIFFERENCE" means the difference between the Primary Gas Delivered
43 and the Primary Gas Billed under Western Transportation Service expressed in either
44 Cubic Metres or Gigajoules.
45
- 46 ZZ) "RECEIPT POINT" means the interconnection between the Company's transmission and
47 distribution system and TransCanada PipeLines transmission system.
48
- 49 AAA) "SALES SERVICE" means gas service in which the Company procures gas quantities to
50 satisfy the Customer's gas requirements.

- 1
2 BBB) "SERVICE LINE" means that portion of the Company's distribution system used for the
3 delivery of gas from the main to the inlet side of the meter assigned to the Customer.
4
- 5 CCC) "STANDARD PRESSURE" means an absolute pressure equal to 101.560 kPa at 15.56
6 degrees Celsius.
7
- 8 DDD) "SUPPLEMENTAL" means the quantity of gas, exclusive of Alternate Supply provided to
9 Interruptible Customers, that is provided by the Company in order to meet gas
10 requirements in excess of the portion of requirements that can be met by Primary Gas.
11
- 12 EEE) "TRANSCANADA" means TransCanada PipeLines Limited.
13
- 14 FFF) "TRANSPORTATION SERVICE (T-SERVICE)" means transmission and/or distribution
15 of Customer-owned gas on the Company's system as defined in the Contract between
16 Customer and the Company.
17
- 18 GGG) "UNAUTHORIZED OVER-RUN GAS" means:
19 a) any and all quantities of natural gas consumed by an Interruptible Class Customer
20 during a period of time that the Company has curtailed service to that customer, and
21 during which that Customer is not receiving Alternate Supply Service, and/or;
22 b) any and all quantities of natural gas consumed by a Customer of a Broker that has
23 failed to supply their requirements, during a period of time that the Company has
24 curtailed service to that Customer because the Company is unable to acquire Backstop
25 Gas.
26
- 27 HHH) "UNAUTHORIZED OVER-RUN GAS CHARGE" means a volumetric charge per cubic
28 metre for the procurement and supply of Unauthorized Over-run Gas consumed by a
29 Customer.
30
- 31 III) "UNAUTHORIZED OVER-RUN GAS DELIVERY CHARGE" means a delivery charge
32 per cubic metre for Unauthorized Over-run Gas consumed by a Customer.
33
- 34 JJJ) "VALUE OF THE GAS LOAN" means the amount of money equal to the quantity of the
35 Gas Loan multiplied by the Loan Price as part of Western Transportation Service.
36
- 37 KKK) "VOLUMETRIC CHARGE" means a charge based on the volume of natural gas
38 measured over an extended period of time, such as a monthly billing period.
39
- 40 LLL) "WINTER MONTH" means the months of November, December, January, February, and
41 March.
42
- 43 MMM) "YEAR" means a period of 365 consecutive days; provided however, that any such year
44 which contains a date of February 29 shall consist of 366 days.
45
46

1 **III. DESCRIPTION OF AVAILABLE RATES AND SERVICES**

2
3 This section provides general descriptions of the rates and services offered by the Company
4 and other related matters. The descriptions provided in this section are not comprehensive and
5 may be changed by the Company at any time. The characteristics and charges associated with
6 any of the following services may be changed at any time subject to Board Approval.
7

8 The Company offers two basic services. These are Sales Service, where the Company provides
9 some of the Customer's gas requirements, and Transportation Service, where the Company
10 does not provide any of the Customer's gas requirements.
11

12 **Sales Service** is a service in which the Company procures and manages gas supplies, and
13 arranges the delivery of those supplies to the Customer. Sales Service consists of four distinct
14 components: Primary Gas; Supplemental Gas; Transportation to Centra; and Distribution to
15 Customer. **Primary Gas** is natural gas procured at the Alberta Border. Sales Customers may
16 choose to purchase Primary Gas from either the Company or an alternative supplier.
17 **Supplemental Gas** is natural gas procured from all other sources. The Company provides
18 Supplemental Gas to all Sales Customers, regardless of the source of the Customer's Primary
19 Gas. **Transportation to Centra; and Distribution to Customer** includes the management of
20 all gas, including transportation to Manitoba, and the transmission and delivery of that gas to
21 Customers. **Transportation Service** ("T-Service") allows a Customer to procure and deliver its
22 own natural gas supplies to the Company's Receipt Point. The Company's T-Service is the
23 agreement under which the Company delivers that natural gas from the Receipt Point to the
24 Customer's facility. Special Terms and Conditions of Transportation Service are covered in
25 Section V.
26

27 Sections IX and X set out the specific rates for both Sales Service and T-Service.
28

29 **A) OPTIONAL SERVICE OFFERINGS:**

30
31 **1) Western Transportation Service**

32 The Company manages and delivers Broker-provided Primary Gas from the Alberta
33 Border to the Customer's facility. The Company then delivers this gas to the Customer
34 or otherwise as appropriate. An Agency Agreement between the Customer and the
35 Broker, and a separate Western Transportation Service Agreement between the
36 Customer, the Broker and the Company are required to take this service, which may be
37 executed on behalf of the Customer by the Broker as the Customer's agent. Western
38 Transportation Service is subject to the Special Terms and Conditions as set forth in
39 Section VII hereof. Western Transportation Service Customers are eligible for Alternate
40 Supply Service and Backstopping Service as described in the Optional Service Offerings
41 provided herein.
42

43 Agency Billing and Collection ("ABC") Service is offered in conjunction with Western
44 Transportation Service. ABC Service allows the Company to bill the Customer for
45 Primary Gas on behalf of the Broker, using the Broker's Primary Gas Price. The
46 Customer makes a single payment to the Company.
47

48 **2) Alternate Supply Service**

49 The Company may provide, on a best efforts basis, Alternate Supply Service on an
50 interruptible basis to Interruptible Customers requesting such service, who otherwise

1 would be interrupted by the Company for supply reasons. Alternate Supply Service may
2 be arranged by the Company at prices in accordance with the provisions of Section VI
3 hereof.
4

5 **3) Backstopping Service**

6 The Company may provide Backstopping Service, if requested, on a best efforts basis to
7 T- Service and Western Transportation Service Customers whose gas supply fails or
8 cannot be delivered to the Company's distribution system.
9

10 **4) Short Term Interruptible Transportation Service**

11 During periods where curtailment would otherwise be implemented, the Customer may
12 elect to provide its own gas supply delivered to the Company's Receipt Point in lieu of
13 Company provided gas supply. The Customer's gas supply will be transported to the
14 Delivery Point under the Short Term Interruptible Transportation Service.
15

16 **B) SERVICE OFFERINGS BY SERVICE CLASSIFICATION:**

17
18 Customers are classified as either Small General Class, Large General Class, High Volume
19 Firm Class, Co-op Class, Interruptible Class, Mainline Class, Special Contract Class or Power
20 Station Class.
21

22 **1) Small General Class ("SGC")**

23 While meter size does not determine which class a Customer is in, SGC Customers, as
24 general guide, receive gas through one meter of the type and capacity typically installed
25 for individual residences. Sales Service and the Optional Service offerings associated
26 therewith are the only services available to these Customers. T- Service is not available.
27 Service is on a firm basis and the charges include a Basic Monthly Charge, a Primary
28 Gas charge, a Supplemental Gas charge, a Transportation to Centra charge; and a
29 Distribution to Customer Volumetric Charge as described in Sections IX and X of this
30 Schedule of Sales and Transportation Services and Rates. All Customers with annual
31 consumption of less than 680,000 m³ are eligible for this rate.
32

33 Customers that are eligible for this class may elect to be reclassified as Large General
34 Class instead, however, that election will remain in effect until a subsequent election is
35 made and each election must remain effective for a minimum of one year.
36

37 Customers in this class are eligible for Western Transportation Service as described in
38 the Optional Service Offerings as provided herein.
39

40 **2) Large General Class ("LGC")**

41 While meter size does not determine which class a Customer is in, LGC Customers, as
42 a general guide, receive gas through one meter of the type and capacity not commonly
43 installed for individual residences. These Customers receive Firm Sales Service; T-
44 Service is not available. The charges include a Basic Monthly Charge, a Primary Gas
45 charge, a Supplemental Gas charge, a Transportation to Centra charge; and a
46 Distribution to Customer Volumetric Charge as described in Sections IX and X of this
47 Schedule of Sales and Transportation Services and Rates. All Customers with annual
48 consumption of less than 680,000 m³ are eligible for this class. Customers who are
49 eligible for this class may elect to be reclassified as SGC. That election, however, will

1 remain in effect until a subsequent election is made and each election must remain
2 effective for a minimum of one year.

3
4 Sales Customers in this class are eligible for Western Transportation Service as
5 described in the Optional Service Offerings provided herein.
6

7 **3) High Volume Firm (“HVF”) Class**

8 HVF Customers receive gas on a firm basis through one meter, where annual
9 consumption equals or exceeds 680,000 m³. These Customers may elect to receive
10 either Firm Sales Service or Firm Transportation Service. The charges include a Basic
11 Monthly Charge, a Monthly Demand Charge, a Primary Gas charge, a Supplemental
12 Gas charge, a Transportation to Centra charge, and a Distribution to Customer
13 Volumetric Charge as described in Sections IX and X of this Schedule of Sales and
14 Transportation Services and Rates. Customers desiring this service must execute a
15 binding agreement with the Company with a minimum term of one year. Any change in
16 classification from HVF Class to Interruptible Class shall be at the consent of the
17 Company.
18

19 Sales Customers in this class are eligible for Western Transportation Service as
20 described in the Optional Service Offerings provided herein. Transportation Service
21 Customers in this class are eligible for Backstopping Service as described in the
22 Optional Service Offerings provided herein.
23

24 **4) Co-op (“Co-op”) Class**

25 Co-op Customers receive gas through one meter where the Customer is served directly
26 from the Company’s medium pressure transmission system or through dedicated
27 distribution facilities at pressures in excess of medium pressure and whose annual gas
28 requirements are less than 680,000 m³. Co-op customers must distribute gas and be
29 regulated by the PUB. Co-op Customers must contract with the Company for 12 months
30 or longer for firm year-round service, and have a load factor of less than 40%.
31

32 Co-op Customers may elect Firm Sales Service, or Firm Transportation Service. The
33 charges include a Basic Monthly charge, a Monthly Demand charge, a Primary Gas
34 charge, a Supplemental Gas charge, a Transportation to Centra charge, and a
35 Distribution to Customer Volumetric Charge as described in Sections IX and X of this
36 Schedule of Sales and Transportation Services and Rates. This service may be subject
37 to Special Terms and Conditions as specified in sections V and VI.
38

39 Sales Customers in this class are eligible for Western Transportation Service as
40 described in the Optional Service Offerings provided herein. T-Service Customers in
41 this class are eligible for Backstopping Service as described in the Optional Services
42 Offerings provided herein.
43

44 **5) Interruptible Class (“IC”)**

45 Interruptible Customers receive gas through one meter where the service may be
46 interrupted by the Company from time to time upon notice to the Customer.
47 Interruptible Service is available only in situations where, in the sole opinion of the
48 Company, a benefit exists for the Company or other Customers. Interruptible Service is
49 available to Customers whose annual gas requirements equal or exceed 680,000 m³
50 and who contract for such service for a minimum of one year, or to Customers that have

1 received Interruptible Service continuously since December 31, 1996. Sales Service or
2 Transportation Service are available. The charges include a Basic Monthly Charge, a
3 Monthly Demand Charge, a Primary Gas charge, a Supplemental Gas charge, a
4 Transportation to Centra charge, and a Distribution to Customer Volumetric Charge as
5 described in Sections IX and X of this Schedule of Sales and Transportation Services
6 and Rates. Interruptible Service is subject to Special Terms and Conditions of Service
7 as set out in Sections V and VI, which also includes charges for failure to comply with
8 the Terms and Conditions of the service.
9

10 Sales Customers in this class are eligible for Short Term Interruptible Transportation
11 Service, Western Transportation Service, and/or Alternate Supply Service as described
12 in the Optional Service Offerings provided herein. T-Service Customers in this class are
13 eligible for Backstopping Service as described in the Optional Service Offerings provided
14 herein.
15

16 **6) Mainline Class (“MLC”)**

17 Mainline Customers receive gas through one meter where the Customer is served
18 directly from the Company’s transmission system or through dedicated distribution
19 facilities at pressures in excess of medium pressure and whose annual gas
20 requirements equal or exceed 680,000 m³ and who contract for such service for a
21 minimum of one year. Mainline Customers may elect Firm Sales Service, Interruptible
22 Sales Service (in conjunction with Firm Delivery Service), or Firm Transportation
23 Service. The charges include a Basic Monthly Charge, a Monthly Demand Charge, a
24 Primary Gas charge, a Supplemental Gas charge, a Transportation to Centra charge,
25 and a Distribution to Customer Volumetric Charge as described in Sections IX and X of
26 this Schedule of Sales and Transportation Services and Rates. This service may be
27 subject to Special Terms and Conditions as specified in sections V and VI.
28

29 Sales Customers in this class are eligible for Alternate Supply Service, Short Term
30 Interruptible Transportation Service and/or Western Transportation Service as described
31 in the Optional Service Offerings provided herein. T-Service Customers in this class are
32 eligible for Backstopping Service as described in the Optional Service Offerings provided
33 herein.
34

35 **7) Special Contract Class**

36 The Company provides Special Contract service through a written agreement between
37 the Company and a Customer which governs the gas service to the Customer. Special
38 Contract Service may include Sales Service and/or a Transportation Service. This
39 service will be governed by the terms of the individual contract.
40

41 **8) Power Station Class**

42 The Company provides service to electrical generating stations which use natural gas in
43 the production of electricity through a written agreement between the Company and the
44 Customer which governs the gas service to the Customer. Power Station Service may
45 include Sales Service and/or Transportation Service. This service will be governed by
46 the terms of the individual contract.
47

1 **IV. GENERAL TERMS AND CONDITIONS**

2
3 This Section IV deals with sales, delivery, and transportation services provided by the
4 Company.

5
6 **A) CONTRACT FOR SERVICE**

7
8 **1) General**

9 a) These General Terms and Conditions shall apply to all contracts (howsoever
10 created) for gas service under any of the Company's rate schedules or service
11 classifications, including Special Contracts; provided that, if the provisions of any
12 explicit Contract conflict with these Terms and Conditions, the provisions contained
13 in the explicit Contract shall prevail.

14
15 b) These General Terms and Conditions may, subject to approval by the Board, be
16 added to, altered, or amended by the Company from time to time and any such
17 addition, alteration, or amendment shall become effective upon Order of the Board.

18
19 **2) Application for Service**

20 a) Application for a service line shall be made on a form provided by the Company. The
21 application, when signed by the Customer and accepted by the Company, shall
22 become a contract for gas service.

23
24 b) Verbal application for gas service to premises having existing facilities may be
25 accepted by the Company. In such cases, a contract is deemed to be made
26 between the Company and the Customer.

27
28 c) When two or more rates and/or services are available to a Customer, the Customer
29 may elect the rates and/or services to be provided to the Customer. In the event that
30 an election is not specified, the Company will make an election. The Customer may
31 make an alternative election at any time subject to reasonable notice. The
32 Customer, having made an election, must remain with that rate and/or service for a
33 period of not less than twelve months following the effective date of the election. All
34 elections are prospective only.

35
36 **3) Termination**

37 The Customer may terminate the contract by providing no less than seven (7) days
38 notice to the Company, to be effective on the later of seven (7) days following receipt of
39 such notice by the Company or the date specified in such notice by the Customer.
40 Notwithstanding any such termination, the Company retains its rights of access as noted
41 in Paragraph IV B) 8) to its equipment on or in the Customer's property and the
42 Customer remains liable to the Company for any amounts payable under the contract of
43 service up to the latter of the date of termination, or the remaining period of the contract.
44 Any additional contracts or agreements in place between the Customer and the
45 Company remain subject to the termination provisions contained therein.

46
47 **4) Easements and Rights-of-Way**

48 a) If, before the point of entry at the Premises, a service line must cross property owned
49 by some person other than the Customer, the Company shall obtain from such

1 person a written consent or easement for the installation and maintenance of the
2 service line and related facilities.

- 3
4 b) If the Customer is not the registered owner of the Premises, the Customer shall
5 obtain for the Company from the said owner the necessary consent or easement in
6 writing for the installation and maintenance in said Premises of all necessary facilities
7 for supplying gas; provided that the Company may, at its option, itself acquire such
8 consent or easement.
9

10 **5) Assignment**

11 All contracts for service shall be binding upon, and inure to the benefit of, the parties
12 hereto and their respective successors and assigns, but shall not be assigned or be
13 assignable by the Customer without the consent in writing of the Company first being
14 obtained which consent may be withheld by the Company.
15

16 **6) Representation**

17 No agent, representative, or employee of the Company has the authority to make any
18 promise, agreement, or representation not incorporated within the Company's Schedule
19 of Sales and Transportation Services and Rates or executed through a contract for
20 service, and any such promise, agreement, or representation shall not bind the
21 Company.
22

23 **7) Resale of Gas**

24 Gas taken by a Customer at a delivery point shall not be resold, except as permitted by
25 Law.
26

27 **8) Rates and Charges**

28 In connection with a contract for service, the Customer shall pay the Company at the
29 rates approved from time to time by the Board or other regulatory body having
30 jurisdiction, and shall pay any other charges validly in effect from time to time.
31

32 **9) The Public Utilities Board Act to Prevail**

33 The provisions of these Terms and Conditions of Service are subject at all times to all
34 applicable Federal, Provincial, and Municipal Legislation including The Public Utilities
35 Board Act (Manitoba) as amended from time to time, or such other legislation as may be
36 enacted in replacement thereof and any lawful Orders of the Board. In the event of any
37 conflict between the provisions of these Terms and Conditions, the provisions of the
38 aforesaid Legislation, or any lawful Order of the Board, the provisions of the said
39 Legislation or Order shall prevail.
40

41 **B) SERVICE CONNECTION AND CHARGES**

42 **1) Authority for Work**

43 No changes, extensions, replacements, repairs, connections, or disconnections to, of, or
44 from the Company's system shall be made except by the Company's duly authorized
45 employees, agents, or contractors.
46

47 **2) Installation Policy**

48 Subject to IV B) 3) hereof, where the Company's main is adjacent to the Customer
49 Premises, the Company will install, at no additional charge to the Customer, a service
50

1 line from the main to a meter location selected by the Company, except that where the
2 distance from the property-line crossed by the service line to the entry-point or meter
3 exceeds forty-six meters (150 feet), the Company may invoke and the Customer shall
4 pay an excess distance charge. The Company reserves the right to conduct a feasibility
5 study on each applicant or project and charge an applicable contribution in aid of
6 construction for that Customer and/or any and all Customers in a project, which
7 contribution shall be paid (or suitable arrangements made in lieu thereof to the
8 satisfaction of the Company) prior to commencement of construction.
9

10 **3) Right of Refusal to Install**

11 The Company may refuse to install a service line if, in the Company's opinion, such
12 installation is not reasonable and practical and would not furnish sufficient business to
13 justify the construction and maintenance thereof, and neither acceptance of an
14 application from nor any cash deposit from the Customer shall be construed as a
15 commitment by the Company to install any service line.
16

17 **4) Location of Service and Meter**

18 The Company will designate the location of the service lines, meters, and regulators,
19 and will determine the amount of space that must be left unobstructed for the installation
20 and maintenance of such equipment.
21

22 **5) Service Relocation and Alteration**

23 Where the Customer requests, or where the Customer's conduct requires, that the
24 meter, regulator and/or service line either enter the Premises at a point or follow a route
25 different from that chosen by the Company or alters the existing configuration, it must
26 conform to existing codes and regulations. The Company may charge and the Customer
27 shall pay for all extra costs incurred for the installation or alteration in accordance with
28 the Customer's request, or as made necessary by the Customer's conduct, provided that
29 nothing herein obligates the Company to make the requested or required changes.
30

31 **6) Meters Installed Within Premises**

32 If the Company has designated an inside meter location, the meter will be installed as
33 close to the service entry point as allowed by existing codes and regulations. Where the
34 Customer desires a meter location other than that chosen by the Company, it must
35 conform to existing codes and regulations, and the Customer will be charged the cost of
36 installing all piping in excess of the amount required by the Company's choice of
37 location. All piping, and other equipment if any, between the main and the meter remains
38 the property of the Company.
39

40 **7) Additional Meters Installed Within Premises**

41 Additional meters may be installed on request at the Customer's expense. The Company
42 reserves the right to refuse installation of additional meters where such installation is not
43 reasonably necessary for the Customer's purposes.
44

45 **8) Access to Property**

46 The Customer grants the Company full power, right, and liberty to enter the lands upon
47 which the Premises are situated to break the surface and make necessary excavations
48 for the purpose of locating, installing, repairing, replacing, maintaining, and inspecting all
49 facilities on the said lands. The Company shall do as little damage and cause as little
50 inconvenience as is reasonably possible in doing such work, and shall restore the

1 property as nearly as is reasonably practical, to its former state provided at all times that
2 the Company shall not be obligated to remove its pipelines or other equipment.

3
4 **9) Commencement of Use of Gas**

5 The Customer agrees to commence using gas on the Premises within six (6) months of
6 the date of installation of the facilities. Failing to so commence, after the sixth month the
7 Customer shall pay the Company's approved Basic Monthly Charge, or at the
8 Company's option, shall pay the full cost of the installation and removal of services.

9
10 **10) Timing of Installation**

11 The Company reserves the right to determine the timing of the installation of service
12 when by reason of weather, conditions of excavation, and/or other circumstances
13 beyond its control, it is deemed inadvisable to install facilities.

14
15 **11) Gratuities**

16 Employees of the Company are expressly forbidden to solicit or accept any gratuities
17 from the Customer.

18
19 **C) CONSUMER CONTRIBUTIONS IN AID OF CONSTRUCTION**

20
21 **1) Refundable Contributions**

22
23 Where the Company deems anticipated revenue from the Customer insufficient to justify
24 an extension of its distribution system, it may require the Customer to pay a contribution
25 in aid of construction of the extension. The contribution will be refunded after the end of
26 the fifth year under the following circumstances:

- 27
28 a) Full Refund: if, in the sole opinion of the Company, sufficient new Customers or
29 loads are attached to the extension to make it economically feasible, a full refund of
30 the original contribution will be made.
31
32 b) Partial Refund: if, in the sole opinion of the Company, new Customers or loads are
33 attached to the extension, but total anticipated revenue from the extension is
34 insufficient to prevent it from being a burden to the Company's other existing
35 Customers, the additional loads will be considered in re-evaluating the original
36 contribution and such re-evaluation may enable a refund to the original Customer to
37 a maximum of the original contribution. Any portion of the refundable contribution not
38 refunded at the end of five (5) years will become a non-refundable contribution.
39
40 c) Any refund that may be due to the Customer will first be applied to any outstanding
41 amounts due to the Company by the Customer. Any remaining balance will be
42 refunded to the Customer.

43
44 **2) Non-Refundable Contributions**

45 Where the Company deems that projected revenue from all potential added connections
46 will be inadequate to prevent an undue burden on existing Customers, it may require the
47 Customer to pay a non-refundable contribution in aid of construction of the extension.
48
49

1 **D) MEASUREMENT BILLING AND PAYMENT**

2
3 **1) Meters and Regulators**

4 The Company shall install on the Customer's Premises, at a point to be selected by the
5 Company, such meter(s), regulator(s), and/or other equipment as the Company deems
6 necessary, which shall be and remain the property of the Company.
7

8 **2) Testing Measurement Equipment**

- 9 a) In the event that the Customer requests under the Electricity and Gas Inspection Act
10 for the testing of the measurement equipment, and by such testing it is found that the
11 measurement equipment is recording within the allowable tolerances as specified in
12 the Regulations under the said Act, all previous readings shall be deemed to be
13 correct and the Customer shall pay to the Company its charge for testing and
14 changing the equipment. If the measurement equipment is found to be recording
15 outside of allowable tolerances, the cost of testing and changing the meter will be
16 borne by the Company and a correction in billing shall be made as set out in IV D) 4)
17 hereof.
18
- 19 b) The accuracy of measuring equipment shall be verified by the Company at
20 reasonable intervals, but shall not be required more frequently than once in any
21 thirty-day period. In the event either party shall notify the other that it desires a
22 special test of any measuring equipment the parties shall co-operate to secure a
23 prompt verification of the accuracy of such equipment. The expense of any such
24 special test shall be borne by the requesting party if the equipment tested is found to
25 be in error by not more than 2%.
26
- 27 c) If, upon test, any measuring equipment is found to be in error by not more than 2%,
28 then previous recordings of such equipment shall be considered accurate in
29 computing deliveries of gas. However, the equipment shall be adjusted at once to
30 read as accurately as possible.
31
- 32 d) If, for the period since the last preceding test, it is determined that any measuring
33 equipment is found to be inaccurate by an amount exceeding 2% for such period,
34 then the previous readings of measurement equipment shall be corrected for any
35 period during which the measuring equipment was known to be inaccurate. In such
36 situations, corrections for billing purposes shall be in accordance with section IV D)
37 4).
38

39 **3) Meter Reading**

40 Meters shall be read with such frequency as the Company may decide. The Company
41 shall have the right at any time to estimate Customer consumption and to render a bill
42 based upon such estimated consumption. Should the number of consecutive estimated
43 readings exceed five (5), the Company shall, subject to its ability to gain access to the
44 Customer's Premises, read the meter. Notwithstanding the foregoing, the Company
45 may, at its option, require the Customer to read the meter and report such reading in the
46 manner specified by the Company.
47
48

1 **4) Failure of Measurement Equipment to Register Properly**

2 If the measurement equipment ceases to register properly, the quantity of gas used will
3 be determined by the most appropriate method, as determined in the sole opinion of the
4 Company. Such methods may include but not be limited to:

- 5
6 a) mathematical calculations and comparisons including prevailing ratio with a parallel
7 meter,
8
9 b) the use of the Customer's check measuring equipment, and
10
11 c) the amount consumed during the corresponding period of the previous month(s) or
12 year(s), giving due consideration to the weather, processing, and connected load, or
13
14 d) if no such information exists, the Company's best estimate, having regard to the
15 circumstances.

16
17 A correction in billing shall be made for the period that the measurement equipment
18 failed to register properly, not exceeding two (2) years retroactive from the date of
19 discovery.

20
21 **5) Billing**

22 a) **General:** Bills will be rendered monthly or by such other period as the Company may
23 determine and the Customer shall pay rendered accounts by the due date specified on
24 the bill. The Company shall assess, and the Customer shall pay, a late payment charge
25 as specified in the rate schedule on all accounts remaining unpaid after the due date.
26 The Company's records of the date of mailing or delivery of bills shall be conclusive
27 evidence of the date of rendering. For purposes of computing monthly bills, "month" shall
28 mean a billing period of approximately thirty (30) days. Bills computed for periods longer
29 or shorter than one month in this context shall be prorated, including fixed charges such
30 as the Basic Monthly Charge and the Monthly Demand Charge where applicable.

31
32 Where bills have been rendered, and it is subsequently determined that they have been
33 incorrectly calculated for reasons other than Failure of Measurement Equipment to
34 Register Properly, they shall be recalculated and submitted for payment by the
35 Customer or Refund by the Company. In such situations the recalculations may be
36 retroactive for a maximum period of six years. No penalty or interest shall be included on
37 such rebilled amounts during the retroactive period. Interest charges and/or late
38 payment charges may begin after the due date as specified on the bill when rendered for
39 the corrected amounts.

40
41 b) **Application of Payments/Credits to Electricity and Gas Accounts and Other**
42 **Indebtedness:** Where a Customer pays less than the full balance due on an account
43 which is comprised of charges for the supply of natural gas and electricity including
44 related late payment charges and/or an amount for items other than gas or electricity
45 services and related late payment charges (the "Other Indebtedness"), or receives a
46 credit on the account, in the absence of a specific direction from the Customer, such
47 payment/credit shall be applied in the following order:

- 48 i. first to the oldest arrears. Where arrears are of equal vintage,
49 payments shall be applied pro rata to natural gas charges, including
50 related late payment charges, electricity charges, including related

- 1 late payment charges and to the Other Indebtedness, including
2 related late payment charges;
3 ii. where there are payments/credits in excess of the amount required to
4 pay the oldest arrears, payments/credits shall be next applied to the
5 next oldest arrears (pro rata in accordance with subparagraph (i) if
6 there is more than one service with arrears of equal vintage), and so
7 on until all arrears are paid;
8 iii. if there are no other arrears, to current charges, pro rata.
9

10
11 **6) Authorization to Disconnect Other Service and/or Install Load Limiting**
12 **Devices**

13 Where the Customer has an account comprised of charges for electricity and natural gas
14 service, or is the recipient of both electricity and natural gas service at the same address
15 but billed separately, the Customer authorizes the Company to request that Manitoba
16 Hydro disconnect the electric service or alternately install a load limiting device on the
17 electric service where the charges for natural gas service are in arrears and full payment
18 or payment arrangements suitable to the Company have not been made. The
19 installation and removal of the load limiting device and/or disconnection and
20 reconnection of service shall be undertaken in accordance with the procedures as
21 defined in the Gas and Combined Gas/Electric Services Disconnection and
22 Reconnection Policy and Procedure as approved from time to time upon Order of the
23 Board.
24

25 **7) Guarantee Deposit**

26 Applicants for service may, at the option of the Company, be required to provide a
27 guarantee of payment in the form of a deposit, letter of credit, or other guarantee
28 suitable to the Company. The amount of such guarantee shall not normally exceed the
29 total of estimated billings to the Customer for the three (3) month period of maximum
30 consumption. Guarantee amounts may be assessed at the discretion of the Company.
31 The guarantee is security against any outstanding indebtedness of the Customer, and
32 may, at the Company's discretion, be held by the Company until the Customer
33 discontinues the use of gas at the Premises and the contract is terminated, or the
34 guarantee or part thereof may be applied from time to time against the outstanding
35 indebtedness of the Customer and any amount so applied shall forthwith be paid to the
36 Company by the Customer to replenish such guarantee. The amount of such guarantee
37 is not transferable or assignable.
38

39 If the guarantee is provided by way of a deposit, the Company shall annually credit
40 interest on the deposit at the Company's average short-term borrowing cost, as updated
41 from time to time.
42

43 The deposit shall cease to draw interest at the earliest of; the date it is returned to the
44 Customer, the date notice is sent to the Customer's last known address that the
45 guarantee is no longer required, the date the deposit is applied against the outstanding
46 indebtedness of the Customer, or the date when service is final billed.
47

48 In the event of termination of the contract between the Company and the Customer,
49 such deposit plus accrued interest, less any amount owed to the Company, will be
50 refunded.

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8) Budget Billing Plan

The Company may, at its discretion, permit the Customer to pay fixed monthly installments on account of services and/or gas consumed or to be consumed by the Customer during all or any part of a period.

The Company shall fix the amount of the monthly installments on the basis that the installments to be paid shall total the sum which would be payable under the Company's rate schedule for the amount of gas or services which the Company estimates would be consumed on the Premises during the period in which the Customer is to pay such installments (herein called, "the budget period").

The Customer may terminate the Budget Billing Plan at any time by giving seven (7) days' prior notice of termination to the Company and the Company may terminate the Budget Billing Plan at any time in the event that the Customer ceases to be a Customer, or if the Customer has not maintained payment of installments to the Company's satisfaction.

Upon the expiration of the budget period or its earlier termination as referred to above, the amount that would be payable to the Company by the Customer pursuant to the rate schedule for gas actually consumed from the beginning of the budget period to its end or earlier termination, shall be compared with the aggregate of the monthly installments actually paid by the Customer during such time, and if the amount payable exceeds the aggregate of the amounts actually paid, such excess shall be paid by the Customer to the Company, or if the amount actually paid exceeds the amount payable, such excess shall be paid or credited by the Company to the Customer.

The Company may, at any time, revise its estimate of a Customer's gas consumption, and accordingly, may increase or decrease the amount of monthly installments payable by the Customer. In addition, the monthly installments may be adjusted to reflect approved rate changes.

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9) Returned Cheques

When a Customer's cheque is returned by banks or other financial institutions for any reason, a returned cheque charge will be assessed to the Customer. The amount of this charge will be as determined from time to time by the Company, subject to Board approval.

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10) Taxes

The rates and charges referred to in these Terms and Conditions do not include taxes or other amounts which the Company may be required to collect from Customers.

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47

11) Late Payment Charge

A late payment charge shall be charged on the dollar amount owing after each billing due date. The due date will be at least 14 days after the mailing of the bills.

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50

12) Measurements

The volume and gross heating value of gas shall be determined as follows:

a) **Unit of Gas:** The unit of gas sold to or transported for the Customer shall be a

1 volume of gas measured according to Boyle's Law for the measurement of gas under
2 varying pressures and on the measurement basis set out in paragraph b) below.
3 Where appropriate, proper corrections shall be made for the specific gravity and
4 flowing temperatures of the gas and for deviation from Boyle's Law as provided in
5 paragraph b) below.
6

- 7 b) **Determination of Volume**, for the purpose of measurement, the unit of volume shall
8 be one Cubic Meter of gas at a temperature of 15.56 degrees Celsius and at a
9 pressure of 101.560 kilopascals absolute. For the purpose of measurement of gas
10 delivered by the Company the average absolute atmospheric (barometric) pressure
11 at such delivery points shall be assumed to be constant during the term thereof,
12 regardless of variations in actual barometric pressure from time to time, and shall be
13 assumed to be the following for each delivery point within the applicable Manitoba
14 Sales Districts and Zones (see Section I: Territory Served):
15

<u>Zone</u>	Average Absolute Atmospheric (Barometric) Pressure (PSIA)
1	14.30
2	14.18
3	14.05
4	13.87
<u>5</u>	<u>13.69</u>

- 16
17
18 c) **The gross heating value** of the gas per Cubic Meter at any delivery point shall be
19 as determined by TransCanada PipeLines Limited ("TCPL").
20
21 d) **The flowing temperature** of the gas shall be, in the case of non-orifice
22 measurement devices, in accordance with the recommendation of the equipment's
23 manufacturer. Integrating devices for automatically correcting volumes for flowing
24 temperature may be used as the Company deems necessary.
25
26 e) **The specific gravity** of the gas delivered shall be as determined by TCPL.
27
28 f) **When gas is measured** by means of an orifice meter or meters, the factor for
29 correction for deviation from Boyle's Law shall be computed in accordance with the
30 American Gas Association's Tables published for that purpose together with
31 amendments and supplements, using the daily arithmetic averages of temperatures,
32 pressure, specific gravity, and a representative gas analysis as required by the
33 tables. When gas is measured by means other than an orifice meter, the factor for
34 correction for deviation from Boyle's Law shall be the square of the factor determined
35 by following the above described method for use with orifice meters.

1
2 **13) Determination of Monthly Billing Demand**

3 The Monthly Billing Demand that will be used to calculate the Customer's Monthly
4 Demand Charge shall be determined as follows:
5

- 6 a) **Monthly Billing Demand** will be the highest daily consumption, subject to sections
7 V ~~FG~~ 3), V ~~GH~~ 7), VI D) 4), and VI E) 7), measured in Cubic Meters on any given
8 day of the month, provided the month is a Winter Month, or in any Winter Month of
9 the preceding eleven months. For Customers without twelve months of demand
10 billing data, the Monthly Billing Demand may be estimated or otherwise specified by
11 the Company.
12
- 13 b) **Exception:** During the months of November and March, the Company may (at its
14 sole discretion) authorize certain Customers to use gas without invoking a higher
15 Monthly Billing Demand. This flexibility will be available only to those Customers
16 who do not regularly require significant volumes of gas in the Winter season, but
17 whose non-winter requirements may extend into the Winter season for a short
18 duration either at the start or at the end of the Winter season. Such flexibility may be
19 provided at the sole discretion of the Company.
20

21 **E) OTHER SERVICES**

22 The Company may provide the following services:
23

- 24 a) Locate and mark at no direct charge, all Company owned underground plants on
25 request to facilitate excavation or other construction.
26
- 27 b) Respond, at no charge, on a 24-hour emergency basis to reports of, explosion, fire,
28 gas odour, leaks, fumes, over-pressure, overheating of natural gas space heating
29 equipment or damaged plant, or any other service which, in the Company's opinion,
30 is required for the maintenance and security of Company equipment.
31
- 32 c) Provide safety inspections, safety related adjustments and/or repairs to the natural
33 gas burning portion of stoves, ranges, and all primary space and water heating
34 residential and commercial appliances under 400,000 Btu/h (422 MJ/h). This
35 includes, but is not limited to, repair of minor gas leaks, and the adjustment and
36 replacement of controls and control parts. The Small General Class Customer will
37 be responsible for the cost of parts. All other Customers will be responsible for the
38 cost of parts and labour.
39
- 40 d) Service to commercial or industrial equipment over 400,000 Btu/h (422 MJ/h) will not
41 normally be undertaken. The Company will respond, however, to commercial
42 emergencies where business might be adversely affected by prolonged interruption
43 of service. The Customer will be responsible for the cost of parts and labour.
44
- 45 e) Provide customers or customers' agents with basic billing. Routine queries for which
46 a response can be developed with the commitment of 30 minutes or less of staff time
47 will be addressed at no charge. For more complex inquiries, which require more
48 than 30 minutes staff time, the customer will be responsible for the cost of labour,
49 which will be billed at the approved Company Labour Rate (see Section XI,
50 Company Labour Rate).

1
2 All "Other Services" provided by the Company to the Customer shall be charged to the
3 Customer at rates in effect from time to time.
4

5 **F) EQUIPMENT**
6

7 **1) Ownership of Equipment**

8 The title to and ownership of all service lines, meters, regulators, attachments, and other
9 Company equipment placed on the Customer's Premises shall remain in the Company,
10 with right of removal, and no charge shall be made by the Customer for use of Premises
11 occupied thereby. This paragraph shall not apply to equipment sold directly to the
12 Customer by the Company.
13

14 **2) Measuring Station**

15 The Company will install, maintain, and operate, at or near each delivery point, a
16 measuring station properly equipped with a meter or meters and other necessary
17 equipment for properly measuring the gas delivered.
18

19 Positive displacement and turbine meters together with auxiliary equipment shall be of a
20 type approved for use by the Department of Consumer and Corporate Affairs, Standards
21 Branch, pursuant to the Electricity and Gas Inspection Act (Canada). When positive
22 displacement and turbine meters are used they shall be equipped with a counting device
23 for indicating the actual volume of gas passing through the meter. A device for
24 integrating the product of the volume of gas measured multiplied by the pressure and
25 temperature corrections and indicating the volume of gas delivered may be used. If an
26 integrating device is used, correction for the deviation from Boyle's Law may be built into
27 the device; otherwise such correction shall be applied to the volume of gas indicated at
28 the Company's sole discretion.
29

30 The Customer may install, maintain, and operate, at its own expense, such check
31 measuring, pressure, or volume control equipment as desired, provided that such
32 equipment shall be installed and/or operated so as not to interfere with the operation of
33 the Company's equipment.
34

35 **3) Rights of Parties**

36 The measuring equipment so installed by either party together with any building erected
37 by it for such equipment, shall be and remain its property. However, the Company and
38 the Customer shall have the right to have a representative present at the time of any
39 installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or
40 adjusting done in connection with the other's equipment. The records from such
41 equipment shall remain the property of their owner, but upon request each will submit to
42 the other its records and charts, together with calculations therefrom, for inspection and
43 verification, subject to return within ten days after receipt thereof.
44

45 **4) Care Required**

46 All installation of equipment applying to or affecting deliveries of gas shall be made in
47 such manner as to permit an accurate determination of the quantity of gas delivered and
48 ready verification of the accuracy of measurement. Care shall be exercised by both
49 parties in the installation, maintenance, and operation of equipment so as to prevent any
50 inaccuracy in the determination of the volume of gas delivered.

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5) Preservation of Metering Records

The Company, and where the Customer has installed check equipment, the Customer, shall each preserve for a period of at least six years all test data, charts, and other similar records. Microfilms of the original documents shall be considered true records.

6) Protection of Company -Owned Equipment on Customer’s Premises

- a) Maintenance of service lines, meters, and regulators or any other Company-owned equipment shall be the responsibility of the Company. The Customer shall be responsible for all damage to equipment on the Premises except for deterioration from normal usage.

- b) If the Customer undertakes to renovate, reconstruct, or modify the Premises in such a way as to render Company equipment non-compliant with any existing codes or regulations, the Company will make any corrections necessary to its equipment so that it conforms to the said codes and regulations and the Customer shall be responsible for the cost of such corrections.

7) Moving Meters

The Company may charge the Customer the cost of moving a meter from one location to another in the event such move is made at the request of the Customer.

8) Access to Premises

In cases of perceived emergency, or for reasons of safety, or if the premises are uninhabited, the Company is authorized to enter upon the Premises in the absence of the Customer and is authorized to use such force as may be necessary to obtain access to its equipment for inspection, disconnection, and repair. All such instances shall be reported to the local police authorities immediately by the Company.

9) Termination of Service

If the supply of gas is terminated for any reason, the Company may, but shall not be obligated to, remove any or all Company owned equipment. Where the equipment is not removed, the Company shall effectively seal it off in compliance with applicable codes, regulations, and industry practices.

10) Rental Equipment

The title to all equipment supplied by the Company under a Rental Agreement and placed on the Customer’s Premises shall remain with the Company with right of removal, and no charge shall be made by the Customer for use of Premises occupied thereby.

G) DISCONTINUANCE OF SERVICE

1) Requirement of Notice

If the Customer desires to discontinue the use of gas or to move from the Premises or in any way to terminate the contract, the Customer shall notify the Company of such intention and provide the Company with reasonable notice of discontinuance.

2) Reasons for Discontinuance

1 The Company reserves the right to temporarily or permanently discontinue the supply of
2 and/or delivery of gas and/or to remove its property from the Customer's Premises, for
3 any of the following reasons:
4

- 5 a) Failure, temporary or permanent, of the availability of gas;
- 6
- 7 b) Necessary repairs on any point on its system;
- 8
- 9 c) Non-payment by the Customer of any indebtedness to the Company when due;
- 10
- 11 d) Failure of the Customer to pay any guarantee deposit or increase thereof forthwith
12 on demand;
- 13
- 14 e) Bankruptcy or insolvency of the Customer;
- 15
- 16 f) Use by the Customer of defective pipe, appliances, gas fittings, or installations
17 contravening prescribed codes and regulations, or the demand by the Customer for
18 the supplying of gas in such a manner as may, in the Company's opinion, be likely to
19 lead to a dangerous situation;
- 20
- 21 g) Use of gas contrary to the terms of these Terms and Conditions or to any explicit
22 Contract made with the Customer;
- 23
- 24 h) Misrepresentation by the Customer in relation to the use of gas or the amount
25 consumed;
- 26
- 27 i) Moving of Customer from the Premises;
- 28
- 29 j) Inability of the Company to gain admittance to the Premises to replace the meter as
30 required, or read the meter for a period of six (6) consecutive months;
- 31
- 32 k) Termination in any manner of the contract of service;
- 33
- 34 l) Discontinuance of the use of gas on the Premises;
- 35
- 36 m) Fire, flood, explosion, or other emergency in order to safeguard persons or property
37 against the possibility of injury or damage;
- 38
- 39 n) Theft of Company property, services, and/or gas.
- 40

41 **3) Reconnect Fees**

1 On each occasion when gas service is discontinued at the Customer's request or as a
2 result of failure of the Customer to comply with these Terms and Conditions, and the
3 Customer subsequently requests that service be resumed to the Customer at the same
4 Premises, a reconnect fee may be charged in addition to the Customers Basic Monthly
5 Charge (if applicable) and Monthly Demand Charge (if applicable) for the period of
6 discontinued service. In the event that the meter and regulating equipment and/or
7 service line are removed and replaced on the same Premises within five years of
8 removal, the Company may charge a fee for resetting the meter, regulator and
9 installation of the service line. Until such charges, together with any other indebtedness
10 of the Customer to the Company are paid, the Company may, at its discretion, refuse to
11 reconnect the service or to supply gas.
12

13 **H) RULES FOR TRANSFER OF CUSTOMERS BETWEEN CLASSES OR SERVICES**

14 The following rules shall apply with respect to any customer that may elect to make an
15 eligible change between customer classes or between service offerings.
16

17 **1) Transfers Between Sales and Transportation Service**

18 Customers that are currently receiving Sales Service and that wish to contract for
19 Transportation Service must make a written request to the Company. All requests for
20 such transfer of Service must be made no later than March 15 in any given year. The
21 Customer must execute a Transportation Service agreement with the Company no later
22 than June 30 of the same year. All transfers between Sales and Transportation Services
23 shall become effective no later than November 1 of each year.
24

25 **2) Transfers Between Transportation and Sales Service**

26 Customers that are currently receiving Transportation Service and that wish to contract
27 for Sales Service must make a written request to the Company. All requests for such
28 transfer of Service must be made no later than March 15 in any given year. The
29 Customer must execute an agreement with the Company no later than June 30 of the
30 same year. All transfers between Transportation Service and Sales Service shall
31 become effective no later than November 1 of each year.
32

33 **3) Transfers Between Interruptible Class and Firm Service Classes**

34 Customers that are currently receiving Interruptible Service and that wish to be provided
35 Firm Service must make a written request to the Company. All requests for such
36 transfer of Service must be made no later than March 15 in any given year. The
37 Customer must execute an agreement with the Company no later than June 30 of the
38 same year. All transfers between Interruptible Service and the applicable Firm Service
39 customer class shall become effective no later than November 1 of each year.
40

41 **I) RESPONSIBILITY OF PARTIES**

42 **1) Transfer of Risk, Title, and Possession**

43 With the exception of Customer owned gas, title to the gas and all risk in respect thereto
44 shall remain with the Company until the gas is delivered to the Customer at the Delivery
45 Point, at which point title and risk shall pass to the Customer. The Company shall have
46 the right to commingle gas delivered to it by or for a Customer with gas owned by the
47 Company or others.
48

49 **2) Damages to Equipment**

50

1 The Customer shall be responsible for all damage to Company property on the Premises
2 and agrees to notify the Company immediately of any damage occurring thereto, and
3 shall pay the cost of any repairs to such Company property except where such damage
4 or cost of repairs is attributable to normal usage.
5

6 **3) Force Majeure**

7 Notwithstanding any other term or condition contained within the Company's Schedule of
8 Sales and Transportation Services and Rates or contracts for service, neither party shall
9 be liable to the other for failure to carry out its obligations hereunder when such failure is
10 caused by force majeure as hereunder defined. The term "force majeure" means civil
11 disturbances, industrial disturbances (including strikes and lockouts), arrests and
12 restraints of rulers or people, interruptions by government or court orders, present or
13 future valid orders of any regulatory body having proper jurisdiction, acts of the public
14 enemy, wars, riots, blockades, insurrections, failure or inability to secure materials,
15 permits, or labour by reason of priority regulations or orders of government, serious
16 epidemics, landslides, lightning, earthquakes, fires, storms, flood washouts, explosions,
17 breakage or accident to machinery or lines of pipes or pipelines, temporary failure of gas
18 supply, an act or omission (including failure to deliver gas) of a supplier of gas to the
19 Company, or any other causes or circumstances to the extent that such cause or
20 circumstance was beyond the control of and occurred without negligence on the part of
21 the party prevented from carrying out its obligations by the act of force majeure.
22

23 Any causes or contingencies which entitle a party to claim force majeure shall not relieve
24 it from liability in the event of its concurring negligence, or in the event of its failure to use
25 due diligence to remedy the situation or remove the cause in an adequate manner and
26 with all reasonable dispatch, nor shall such causes and contingencies affecting the
27 performance of the obligations hereunder relieve either party from the obligations to
28 make payments of amounts then due or thereafter accruing due hereunder. It is
29 understood and agreed that the settlement of strikes and lockouts shall be entirely within
30 the discretion of the party affected.
31

32 Provided always however, that when the Customers consumption or ability to consume
33 is not affected, the Customer shall not be entitled to rely upon the aforesaid Force
34 Majeure provisions.
35

36 **4) Waste of Gas**

37 The Customer shall use due care to prevent any waste of gas and will immediately notify
38 the Company in case of failure or deficiency of supply or leakage of gas.
39

40 **J) CONSUMER EQUIPMENT**

41 **1) Description of Installation**

42 In those cases where the Company deems it necessary, the Customer shall present, in
43 writing, complete specifications of equipment, loads, location plans, piping, regulators,
44 and other data required.
45

46 **2) Customer's Equipment**

47 Gas piping, fixtures, and appliances on the Customer's Premises must be installed at the
48 expense of the Customer or owner of the property.
49
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The Company may delay the construction of an extension and/or service until the Customer has completed the piping and installation of equipment necessary to receive and use service.

|

1 **V. SPECIAL TERMS AND CONDITIONS: TRANSPORTATION SERVICE (T-SERVICE)**

- 2
- 3 A) A Transportation Service agreement setting out Customer specific information shall be
4 established between the Company and the Customer for Transportation Service under
5 the High Volume Firm Class, Mainline Class, or Interruptible Class, having a minimum
6 term of one year. The agreement shall remain in effect for successive periods of one
7 year, unless written notice of termination is given by either party to the other at least 90
8 days prior to the expiration of the agreement or any renewal thereof.
9
- 10 B) Subject to the conditions set out in subsection V. A) hereof, High Volume Firm Class,
11 Mainline Class, or Interruptible Class customers may elect to receive Transportation
12 Service where the customer's daily nomination equals or exceeds 200 GJ under normal
13 operating conditions, excluding shut-downs for routine maintenance activities and
14 holidays.
15
- 16 C) The T-Service Customer shall deliver to the Company at the designated Receipt Point(s)
17 and the Company shall receive from the T-Service Customer and transport a volume of
18 gas, as determined in accordance with subsection D) hereof, from said Receipt Point(s)
19 to the designated Delivery Point(s).
20
- 21 D) The volume of gas delivered by the T-Service Customer and received and transported
22 by the Company shall, on each day, equal the quantity of gas consumed by the
23 Customer at its facility on such day as determined by the Company's measuring stations
24 located at or near the Delivery Point, less the volume of Backstop Gas (if any) sold to the
25 Customer by the Company on such day pursuant to subsection G) hereof.
26
- 27 E) The Company shall not be obligated to transport, in any one day, any gas in excess of
28 the Daily Contract Demand designated for delivery to each designated Delivery Point for
29 each type of service.
30
- 31 F) The T-Service Customer shall pay for all gas delivered by the T-Service Customer and
32 received and transported by the Company at the T-Service Rates approved from time to
33 time by the Board.
34
- 35 G) In the event that a T-Service Customer fails or anticipates failure to deliver the
36 necessary volume of gas to the designated Receipt Point:
37
- 38 1) The T-Service Customer shall promptly notify the Company if the Customer has
39 reason to believe that deliveries of gas by or for the Customer to the Company at the
40 Receipt Point(s) will be impaired in whole or in part. At such time, the Customer shall
41 indicate whether it will require gas from the Company and the volume required during
42 such period of impairment. If the Company is unable to provide Backstop Gas as
43 requested by the Customer, the Customer shall be obligated to restrict its
44 consumption to the volume of gas it can deliver into the system.
45
- 46 2) On any day when, as a result of impairment, the T-Service Customer requires gas
47 from the Company, the Company may, subject to availability of supply, sell to the
48 Customer such quantity of Backstop Gas as is agreed between the parties, and the
49 Customer shall pay for any Backstop Gas the greater of:

- 1
2 a) its ~~pro-rata share of the total cost of Backstop gas purchased on behalf of T-~~
3 ~~Service customers by the Company~~ appropriate share pro-rata with other T-
4 ~~Service Customers purchasing Backstop Gas, on such day, of the total cost,~~
5 including all costs associated with purchasing and having that supply delivered to
6 the Receipt Point. These charges are in addition to the normal T-Service
7 Volumetric Charges; or
8
9 b) the equivalent Sales Service Volumetric Rate.

10
11 On such day, the Backstop Gas shall be deemed to be the first volumes delivered to
12 the Customer.

- 13
14 3) Volumes delivered to the Customer as Backstop Gas shall be included in the
15 determination of the Monthly Billing Demand.

16
17 H) The provisions of this paragraph shall only be applicable if service hereunder is pursuant
18 to one of the Company's Interruptible Transportation services.

- 19
20 1) The Company may, at its sole option, on notice to the T-Service Customer, curtail or
21 discontinue service hereunder down to the level of Firm Transportation Service (if
22 any) to which the T-Service Customer is entitled. ~~Such notice shall be made by~~
23 ~~telephone, electronic, or other communication device, or in person, and~~ Upon receipt
24 ~~of notice by the Company,~~ the Customer shall curtail its consumption of gas to the
25 extent requested by the Company within two (2) hours of receipt of notice.
26
27 2) In recognition of the curtailable nature of Interruptible Service the Customer agrees,
28 at their sole expense, to:
29
30 a) Install, maintain and have ready to operate at all times a stand-by fuel source of
31 sufficient size and capacity to satisfactorily replace the natural gas energy supply
32 furnished by the Company, and to,
33
34 b) Ensure that sufficient supplies of stand-by fuel are available at all times, and that
35 the Customer has sufficient personnel resources available to operate the stand-
36 by fuel system at any time upon notice from the Company, and to,
37
38 c) Utilize the stand-by fuel source in the event that the Company gives notice to the
39 Customer of a curtailment of service.
40
41 3) In recognition of the Customer's service as Interruptible Transportation Service
42 furnished by the Company hereunder, the Company shall not be liable for damages
43 to person or property resulting from curtailment of service, or the Customer's failure
44 to provide adequate stand-by equipment and fuel, or to use such equipment properly
45 and sufficiently.
46
47 4) In the event that the T-Service Customer fails to comply with any such notice of
48 curtailment, then the Company may at its option:
49

- 1 a) Physically discontinue Transportation Service hereunder during any period of
2 curtailment; and/or
3
4
5 b) Charge and collect from the Customer for all gas received and transported
6 hereunder during any such period at the Unauthorized Over-Run Delivery
7 Charge, or such lesser amount per m³ as the Company, in its sole discretion,
8 may decide upon; ~~and/or~~
9
10 c) Charge and collect from the Customer the Firm T-Service Delivery rates for a 12
11 month period subsequent to the failure to interrupt. This provision shall not
12 relieve the Customer from continuing to operate as, and meet all of the
13 obligations of, an Interruptible Customer during this 12 month period. Continued
14 failure to abide by the terms of Interruptible Service shall entitle the Company to
15 return the Customer to Firm Transportation Service on a permanent basis.
16
17 5) The Company shall have the further right to curtail the transportation of gas
18 hereunder without notice and without any liability whatsoever for any resultant
19 damage to the Customer for any one or more of the following reasons:
20
21 a) Repairs to its distribution system; or
22
23 b) Transportation of gas being prevented or interrupted for any cause reasonably
24 beyond the control of the Company; ~~or~~
25
26 c) For breach by the Customer of any of the terms and conditions hereof.
27
28 6) With respect to each Delivery Point(s), the T-Service Customer shall be subject to a
29 monthly bill equal to the Basic Monthly Charge, the applicable Monthly Demand
30 Charge, and Volumetric Charges for volumes delivered.
31
32 7) Volumes taken by the Customer in contravention of curtailment notice shall be
33 included in the determination of the Monthly Billing Demand.
34
35 I) Where the T-Service Customer is entitled to both Firm and Interruptible Transportation
36 Service to a particular Delivery Point, the volume of gas transported by the Company to
37 such Delivery Point on any day shall be deemed to be transported firstly under Firm
38 Service up to the level of Firm Daily Contract Demand, and secondly under Interruptible
39 Service; provided, however, that if on any day, the Customer's Interruptible Service is
40 curtailed, the gas under Firm Service shall be deemed to have been transported, up to
41 the time of curtailment, at an even hourly flow at a rate equal to the Firm Daily Contract
42 Demand, divided by 24.
43
44 J) The T-Service Customer shall notify the Company ~~by e-mail or fax,~~ no later than 2:00
45 p.m. ~~Winnipeg time~~CCT on the day prior to delivery (except during periods when the
46 Customer has advised the Company that no transportation service is required) of:
47
48 ~~1) The Customer's nomination for the following day with TCPL; and,~~
49

1 2)1) The Customer's forecasted gas consumption and the Customer's Nominated
2 Volume on the TCPL Mainline for the following day.

3
4 Such Nominated Volume and forecasted consumption shall be deemed to remain in
5 effect from day to day unless changed by the Customer and notice of such change is
6 given to the Company at subsequent intraday nomination windows, in the manner
7 aforesaid. If on any day in the event that the T-Service Customer's actual gas
8 consumption for that day is to deviate from the forecasted gas consumption and
9 Nominated Volume identified in J) 2.1. above the Customer shall notify the Company at
10 the earliest opportunity of any such deviation, and the T-Service Customer shall make
11 reasonable efforts to make the necessary forecast and nomination adjustments required
12 with TCPL and the Company.

13
14
15 ~~K)~~ ~~Prior to 10:00 a.m. Winnipeg time each day, the T-Service Customer will advise the~~
16 ~~Company by telephone, fax or e-mail of the meter reading at each Delivery Point as at~~
17 ~~9:00 a.m. Winnipeg time on that day.~~

18
19 L)K) The T-Service Customer shall provide notice to the Company advising of the particulars
20 of any authorized agent at law it has appointed to carry forth its obligations pursuant to
21 the Transportation Service agreement identified in sub-section A.) hereof. Until further
22 notice is provided by the T-Service Customer to the Company advising of any change to
23 or termination of such agency appointment, the Company shall be entitled to rely upon
24 any act or thing done, or document executed by the authorized agent pursuant to the
25 Transportation Service agreement in the same manner and as though such act or thing
26 had been done, or such document has been executed by the T-Service Customer. The
27 T-Service Customer shall indemnify and hold the Company harmless against any and all
28 claims relating to, arising out of or resulting from the actions of the authorized agent
29 pursuant to the Transportation Service agreement.

30
31 M)L) In the event that a Sales Service Customer elects to become a T-Service Customer, the
32 Customer will indemnify and save the Company harmless against any costs incurred by
33 the Company upstream of the Receipt Point for which the Company is unable to obtain
34 relief. The Company reserves the right to determine the level of capacity that may be
35 released to the Customer or his agent.

36
37 N)M) The T-Service Customer hereby releases the Company from the Company's obligation
38 to supply gas (except in accordance herewith) to the Customer for so long as the
39 Transportation Service Agreement remains in force. If the Customer wishes to
40 recommence purchasing gas from the Company, the Customer acknowledges and
41 agrees that it will be treated in the same manner as a new Customer applying for Sales
42 Service and will be subject to the provisions in Section IV. H) 2. hereof regarding
43 requests for transfer from Transportation Service to Sales Service.

44
45 O)N) If the T- Service Customer or its authorized agent causes delivery imbalances relating to
46 the delivery of gas to the Company's distribution system, the Company may impose ~~any~~
47 ~~imbalancing fees costs or charges~~ on the Customer. Further detail on the T-Service
48 balancing fee structure and tolerances are set out in Appendix C, attached.

49
50

1 **VI. SPECIAL TERMS AND CONDITIONS: INTERRUPTIBLE SALES SERVICE AND INTERRUPTIBLE**
2 **DELIVERY SERVICE**

3 The provisions of this Section VI pertains to Interruptible Sales Customers (taking
4 corresponding Interruptible Delivery Service) and Mainline Customers electing
5 Interruptible Sales (in conjunction with Firm Delivery Service) provided by the Company.
6

7 A) A contract setting out Customer specific information shall be established between the
8 Company and the Customer having a minimum term of one year. The agreement shall
9 remain in effect for successive periods of one year, unless written notice of termination is
10 given by either party to the other at least 90 days prior to the expiration of the agreement
11 or any renewal thereof.
12

13 B) In recognition of the curtailable nature of Interruptible Service the Customer agrees, at
14 their sole expense, to:

15
16 1) Install, maintain and have ready to operate at all times a stand-by fuel source of
17 sufficient size and capacity to satisfactorily replace the natural gas energy supply
18 furnished by the Company; and to,
19

20 2) Ensure that sufficient supplies of stand-by fuel are available at all times, and that the
21 Customer has sufficient personnel resources available to operate the stand-by fuel
22 system at any time upon notice from the Company; and to,
23

24 3) Utilize the stand-by fuel source in the event that the Company gives notice to the
25 Customer of a curtailment of service.
26

27 C) Subject to subsection VI D) hereof, the Company shall sell and deliver to the Customer
28 and the Customer shall purchase from the Company at the Delivery Point, natural gas
29 for consumption by the Customer at its premises; provided that the Company shall not
30 be obligated to sell or deliver to the Customer, on any one day, any gas in excess of the
31 Interruptible Daily Contract Demand as specified in a separate agreement, or in any one
32 hour, any gas in excess of the Maximum Hourly Flow.
33

34 D) In the event that the Company determines, in its sole discretion, that it cannot provide
35 Interruptible Sales Service from its available supplies, the following provisions will apply:
36

37 1) If, prior to the commencement of any day or at any time during any day, the
38 Company reasonably believes that it will, on that day, be curtailing Interruptible Sales
39 and/or offering Alternate Supply gas at a price higher than the Base Rate for
40 Supplemental Gas to Interruptible Customers, it shall notify the Customer to this
41 effect and of the sale price of such Alternate Supply gas. The Customer may elect to
42 purchase Alternate Supply gas on that day or decline service for that day, or portion
43 thereof, and the Customer shall promptly notify the Company of its decision. If the
44 Customer declines service for that day or portion thereof it shall cease consuming
45 gas on such day or portion thereof.
46

47 2) If the Company is able to offer Alternate Supply gas to the Interruptible Customer at
48 a price that is equal to or less than the Base Rate for Supplemental Gas to
49 Interruptible Customers, the Company may provide Alternate Supply service without

1 notice to the Interruptible Customer, and the Customer shall pay the sale price of that
2 gas supply plus the Alternate Supply Service Delivery Rate.

3
4 3) If, on any day, the Customer elects to purchase the Alternate Supply gas, the
5 Customer shall pay the sale price of that gas supply plus the Alternate Supply
6 Service Delivery Rate.

7
8 4) If, on any day, the Customer elects to purchase Alternate Supply the volumes
9 delivered on that day shall not be included in the determination of the Monthly Billing
10 Demand.

11
12 5) If, on any day, the Company is providing Alternate Supply Service and the Customer,
13 having declined such service, continues to consume gas on that day, the Customer
14 shall be subject to section E) 3) below.

15
16 E) The following provisions shall apply to the interruption of service under these Services:

17
18 1) The Company may, at its sole option, on notice to the Customer, curtail or
19 discontinue service hereunder down to the level of firm service to which the
20 Customer is entitled (if any). Such notice shall be made by telephone, electronic or
21 other communication device, or in person, and the Customer shall curtail its
22 consumption of gas to the extent requested by the Company within two (2) hours of
23 the Company's issuance of the notice;

24
25 2) In recognition of the Customer's service as Interruptible Service furnished by the
26 Company hereunder, the Company shall not be liable for damages to person or
27 property resulting from curtailment of service, or the Customer's failure to provide
28 adequate stand-by equipment and fuel, or to use such equipment properly and
29 sufficiently;

30
31 3) In the event that the Customer shall fail to comply with any such notice of
32 curtailment, then the Company may, at its option:

33
34 a) Physically discontinue service hereunder during such period of curtailment; or,

35
36 b) Charge and collect from the Customer for all Unauthorized Over-Run Gas
37 delivered to the Customer during any such period at the Unauthorized Over-Run
38 Gas Charge and/or Unauthorized Over-Run Delivery Charge, or such lesser
39 amount per m³ as the Company, in its sole discretion, may decide;

40
41 c) Charge and collect from the Interruptible Customer the High Volume Firm
42 Service rates or other Firm Service rates as decided by the Company, for a 12
43 month period subsequent to the failure to interrupt. This provision shall not
44 relieve the Customer from continuing to operate as, and meet all of the
45 obligations of, an Interruptible Customer during this 12 month period;

46
47 d) Continued failure to abide by the terms of Interruptible Service shall entitle the
48 Company to reclassify the Customer to Firm Sales Service on a permanent
49 basis;

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- e) Return the Customer to Firm Service on a permanent basis if in the sole discretion of the Company, the Customer does not provide evidence and proof of the installation, maintenance and/or capability to reliably provide a stand-by fuel source sufficient to satisfactorily replace the natural gas energy supply provided by the Company. The Company reserves the right to make such a determination and to advise the Customer of the effective date of any such return to Firm Service.
- 4) The Company shall have the further right, without notice to the Customer, to curtail service hereunder for any of the following reasons:
 - a) For repairs to its distribution system;
 - b) By reason of service hereunder being prevented or interrupted for any cause reasonably beyond the control of the Company; or
 - c) For breach by the Customer of any of the terms and conditions hereof;
- 5) With respect to each delivery point, the Customer shall pay a monthly bill equal to the Basic Monthly Charge, the applicable Monthly Demand Charge, and Volumetric Charges for any and all volumes delivered;
- 6) The Company shall not be liable for damages, costs, loss or expense, whether direct, consequential, or otherwise, to person or property, resulting from curtailment of service hereunder or the Customer's failure to provide adequate stand-by equipment and/or fuel, or to use such equipment properly and sufficiently.
- 7) Volumes taken by the Customer in contravention of curtailment shall be included in the determination of the Monthly Billing Demand.
- F) The provisions of these "Special Terms and Conditions" may be superseded by any requirements contained in the Interruptible Service Contract as required in paragraph A) herein.
- G) Where the Customer is entitled to both Firm and Interruptible Sales and/or Delivery Service hereunder to a particular Delivery Point, the volume of gas transported by the Company to such Delivery Point on any day shall be deemed to be transported firstly under Firm Service up to the level of Firm Daily Contract Demand as specified in a separate agreement, and secondly under Interruptible Service; provided, however, that if on any day, the Customer's Interruptible Service is curtailed, the gas under Firm Service shall be deemed to have been transported, up to the time of curtailment, at an even hourly flow at a rate equal to the Firm Daily Contract Demand, divided by 24.

1 **VII. SPECIAL TERMS AND CONDITIONS: WESTERN TRANSPORTATION SERVICE**

- 2
- 3 A) Western Transportation Service provides for the transportation, storage, transmission,
4 and distribution as appropriate, of Customer-owned Primary Gas from the Alberta border
5 to the Customer's premises. The Company provides mandatory Supplemental Gas in
6 conjunction with this service.
7
- 8 B) An executed Western Transportation Service Agreement is required to take this service.
9 Customers in all classes are eligible for this service.
- 10
- 11 1) The Customer must be represented by a Broker authorized by the Board to sell
12 natural gas.
13
- 14 2) The Customer must sign an Agency Agreement to be represented by that Broker.
15 The Agency Agreement must, at a minimum, appoint the Broker as the Customer's
16 sole and exclusive Agent to contract for the Customer's Primary Gas Supply,
17 authorize the Broker to execute an Agreement for Western Transportation Service on
18 behalf of the Customer, and where ABC Service is desired, authorize the Broker to
19 execute an Agency Billing & Collection Agreement with the Company on behalf of
20 the Customer. In the event that a Customer has signed multiple Agency Agreements
21 with different Brokers, the Company shall accept the Broker firstly appointed by the
22 Customer.
23
- 24 3) The Broker must sign and execute an Agreement for Western Transportation Service
25 on behalf of the Customer and on its own behalf.
26
- 27 4) In the event that the Broker does not maintain Standard & Poor's BBB grade credit
28 rating (or its equivalent of B++ or Baa) or better, ABC Service is mandatory.
29
- 30 5) Customers that wish to act as their own Broker must have estimated annual
31 consumption of equal to or greater than 680,000 m³ and must be authorized by the
32 Board.
33
- 34 C) Participation in Western Transportation Service will commence on the first day of each
35 calendar month.
36
- 37 1) Brokers will submit enrollment applications on behalf of Customers. The Company
38 will notify the Broker if a Customer enrollment application is unacceptable to the
39 Company.
40
- 41 2) Enrollment applications must be submitted using a format acceptable to the
42 Company, acting reasonably. Enrollment applications must include a field that
43 clearly identifies the date that each Customer executed their respective Agency
44 Agreements with the Broker.
45
- 46 3) The Company reserves the right to accumulate enrollment applications in such a
47 manner as to efficiently process and administer the enrollment of customers onto this
48 service. In the event that the Company elects to accumulate multiple applications
49 from a Broker, it shall process those applications no less frequently than once each
50 week.

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- 4) Brokers may submit enrollment applications no earlier than 75 days prior to the requested date for commencement of service.
 - 5) Enrollment applications must be received by the Company no less than 45 days prior to the requested date for commencement of service.
 - 6) A Customer's participation in Western Transportation Service with one Broker must be terminated by that Broker before the Customer can participate in that Service with a different Broker.
 - 7) The Company will send a confirmation letter to each Customer whose enrollment is acceptable to the Company.
- D) Brokers who choose to participate in Western Transportation Service must do so through to the end of each Gas Year.
- E) A Customer's enrollment in Western Transportation Service is subject to the following:
- 1) A Customer may return to the Company's Sales Service for Primary Gas effective with the start of any calendar month, subject to the Company's ability to provide Backstop Gas on a best efforts basis and the Customer's requirement to pay any and all incremental costs related to the Company's provision of that Backstop Gas.
 - 2) The Company will provide Backstop Gas on a best-efforts basis to any Customer whose Western Transportation Service Agreement is terminated, through the end of the current calendar month, after which time the Customer may return to the Company's Sales Service for Primary Gas in accordance with Article VII F) 1), or to Western Transportation Service.
 - 3) A Customer may switch Brokers effective with the start of any calendar month, subject to the terms of their Agency Agreement.
 - 4) A Customer may, through the enrollment process, switch between Western Transportation Service Agreements with the same Broker effective with the start of any calendar month.
- F) The Broker is responsible for securing firm supply of Primary Gas and transportation to the Alberta Border.
- 1) The firm supply and necessary transportation to the Alberta Border must be adequate to meet the Maximum Daily Quantity established by the Company for Primary Gas, plus the amount needed to supply related Fuel Gas on the TransCanada PipeLine from the Alberta Border to the Company's distribution system. The ability to supply and transport the Maximum Daily Quantity must be maintained for every day that service is provided.
 - 2) The Company may direct, dispatch or dispose of the firm supply in any manner it sees fit, consistent with prudent utility practice, and shall be entitled to pass good title in such gas.

1 3) The Company is not responsible for the cost of the firm supply or related
2 transportation to the Alberta Border, or for any financial or other performance
3 penalties that may be associated with such firm supply or related transportation.
4

5 G) The Company shall on each day nominate a quantity of Primary Gas (plus Fuel Gas) to
6 be delivered on the next day by the Broker and accepted by the Company at the Alberta
7 Border or at a designated point(s) of receipt acceptable to the Company in its sole
8 discretion in accordance with the following terms:
9

10 1) Prior to any deliveries being made in accordance with the terms of this Service, the
11 Broker shall provide the Company with the name, address, telephone number,
12 facsimile number and e-mail address(es) of the Supplier[s], and the point[s] of receipt
13 for deliveries. Such information shall be immediately updated as changes occur.
14

15 2) Where there are two or more Suppliers, the Broker shall indicate to the Company
16 what percentage of total daily nominations is to be made to each supplier. Such
17 information shall be immediately updated as changes occur.
18

19 3) The Company shall nominate by 12:00 noon Winnipeg time each day. The quantity
20 that is nominated will be determined by the Company, taking into account the total
21 gas requirements of the Broker (on behalf of the Broker's Customer(s)), its Maximum
22 Daily Quantity, system operating conditions, the quantity of Fuel Gas required to
23 transport Primary Gas from the Alberta Border to the Receipt Point, the availability of
24 transportation on TransCanada and nominations required under its system supply
25 contracts and other gas purchase agreements under which the Company obtains
26 gas. The required quantity of Fuel Gas will be determined in accordance with the
27 applicable TransCanada fuel ratio in effect from time to time, as approved by the
28 ~~National Energy Board of Canada~~Canada Energy Regulator. Such nomination may
29 be changed from time to time during the Day, and the Broker shall promptly adjust its
30 deliveries to accommodate such changes.
31

32 4) The Company will nominate directly to the Supplier. The Broker agrees to inform the
33 Supplier in writing that all nominations made in accordance with this Service by the
34 Company to the Supplier for the delivery of gas to the Company, shall be received by
35 the Supplier as if made by the Broker, and that all gas delivered by the Supplier to
36 the Company pursuant to such nominations shall be to the account of the Broker. If
37 for any reason the Supplier is unwilling or unable to accept such nominations, the
38 Company shall be entitled to make in its discretion such nominations directly to the
39 Broker.
40

41 5) The Company will nominate the Broker's supplies in approximately the same
42 proportion to the total gas requirements of the Broker (on behalf of the Broker's
43 Customer(s)) as the Company's nominations of Primary Gas in relation to total
44 requirements for the Company's Sales (including Western Transportation Service)
45 Customers.
46

47 6) Unless otherwise agreed to by the Broker (on behalf of the Broker's Customer(s)),
48 the maximum quantity of gas that the Company may nominate on any day is the
49 Maximum Daily Quantity, plus Fuel Gas.

- 1 7) The Broker shall immediately notify the Company if the anticipated quantity of gas to
2 be consumed by the Broker's Customer(s) significantly changes for any reason.
3
- 4 8)
- 5 a) The Broker or its Supplier shall notify the Company as soon as possible, after
6 receipt of the nomination, or change in nomination, if such nomination cannot be
7 satisfied. In addition, the Broker shall notify the Company immediately upon
8 becoming aware of any event that will alter or affect the deliveries of gas under
9 this Service.
- 10
- 11 b) Notice provided in accordance with paragraph a) above does not relieve the
12 Broker from their obligations hereunder.
13
- 14 9) All such confirmations or notifications shall be made by telephone, facsimile or e-
15 mail, and if given orally, shall be effective only if they are confirmed the same day in
16 writing by way of facsimile or e-mail.
17
- 18 10) Where a Supplier notifies the Company that nominations relating to more than one
19 such Broker will not be wholly satisfied, the Company shall allocate the shortfall
20 among such Brokers in accordance with the instructions of that Supplier. Where the
21 Supplier does not provide such instructions to the Company, the Company shall
22 allocate the shortfall among the Brokers in proportion to each Broker's respective
23 share of the total nomination made by the Company to that Supplier.
24
- 25 11) If, with respect to any day, a nomination is not accepted or if for any other reason,
26 the Broker fails to deliver any of the nominated gas, then the special provisions for
27 Backstop Gas under Western Transportation Service shall apply.
28
- 29 H) A monthly Gas Loan Mechanism will provide for cash payments between the Company
30 and each Broker for the value of the difference between Primary Gas Delivered by a
31 Broker and Primary Gas Billed to that Broker's Customers. The Gas Loan will be
32 reconciled for each Gas Year, within two months following the end of that Gas Year,
33
- 34 1) The Gas Loan will be tracked separately for each Broker.
35
- 36 2) For each Broker, the Company will calculate the Quantity Difference between
37 Primary Gas Delivered and Primary Gas Billed for each month.
38
- 39 a) Primary Gas Delivered in the month will be measured as the quantity of gas
40 received from Brokers at the Alberta Border during the month, but not including
41 Fuel Gas provided by the Brokers.
42
- 43 b) Primary Gas Billed in the month will be measured as the quantity of Primary Gas
44 reported on bills issued by the Company to the Broker's Customers during that
45 calendar month. Primary Gas Billed in the month may include consumption in a
46 prior period, in accordance with the Company's billing practices.
47
- 48 c) Where Primary Gas is measured in Gigajoules, the quantity of Primary Gas in
49 Cubic Meters will be determined using the Gross Heating Value as determined
50 by TransCanada.

- 1 3) The Value of the Gas Loan for each month will be calculated as the Quantity
2 Difference in each month multiplied by the Company's average unit cost of Primary
3 Gas in storage inventory at the commencement of the gas year.
4
- 5 4) The Value of the Gas Loan shall be payable each month.
6
- 7 a) If the quantity of Primary Gas Delivered in a month exceeds the quantity of
8 Primary Gas Billed in that month, the Company shall pay the Value of the Gas
9 Loan to the Broker.
10
- 11 b) If the quantity of Primary Gas Delivered in a month is less than the quantity of
12 Primary Gas Billed in that month, the Broker shall pay the Value of the Gas Loan
13 to the Company.
14
- 15 c) The Company will issue a statement for the amount payable by the Company or
16 the Broker, as the case may be, on the 15th day of the month following the
17 month in which gas is delivered. If such day is not a Business day, such
18 statement shall be issued on the first Business Day following such day.
19
- 20 d) Remittances will be due and payable on the 20th day of the month following the
21 month in which gas is delivered. If such day is not a Business day, such amount
22 shall be due and payable on the first Business day following such day.
23
- 24 5) Following the end of each Gas Year, the Company will perform a reconciliation on
25 the Gas Loan.
26
- 27 a) The Annual Quantity Difference will be calculated by the Company as the sum of
28 the differences between Primary Gas delivered and Primary Gas consumed
29 during the Gas Year, plus or minus any Annual Quantity Difference carried over
30 from the prior Gas Year. A net under-delivered position will be reflected as a
31 negative Annual Quantity Difference, and a net over-delivered position will be
32 reflected as a positive Annual Quantity Difference.
33
- 34 b) For purposes of the annual reconciliation, the value of the gas loan security
35 deposit remaining on account with the Company will be calculated as the sum of
36 the monthly security deposits withheld from or repaid to brokers, plus the value of
37 any Annual Quantity Differences carried over from the prior Gas Year.
38
- 39 c) At the conclusion of each Gas Year, Brokers can elect one of two options: the
40 Annual Quantity Difference may either be carried over into the following Gas
41 Year, or settled financially.
42
- 43 d) If Brokers elect to carry over the Annual Quantity Difference into the following
44 Gas Year, that reconciliation is subject to the following conditions:
45
- 46 i) The annual financial reconciliation will consist of a final payment that
47 completely offsets the remaining net value of the Security Deposits withheld
48 from and repaid to Brokers throughout the Gas Year, plus a final payment
49 equal to the value of the Annual Quantity Difference;
50

- 1 ii) The value of the Annual Quantity Difference carried over into the following
2 year will be calculated by multiplying the Annual Quantity Difference for the
3 current Gas Year being reconciled, by the Company's average unit cost of
4 Primary Gas in storage inventory at the commencement of the Gas Year
5 following the Gas year being reconciled;
6
- 7 iii) The Company will include the Annual Quantity Difference carried over from
8 the prior Gas Year in the determination of the next Gas Year's annual supply
9 requirements;
10
- 11 iv) The Company will nominate, and the Broker will deliver, appropriate
12 quantities to satisfy current Gas Year consumption requirements as well as
13 any Annual Quantity Difference (positive or negative) carried over from the
14 prior Gas Year; and,
15
- 16 v) If, for any reason, the Broker will not be providing Primary Gas in the
17 following Gas Year, the Annual Quantity Difference will not be carried over
18 into the following Gas Year, and the Broker will be required to settle the
19 Annual Quantity Difference as described below in Sub-section (e).
20
- 21 e) If, for any reason, the Annual Quantity Difference will not be carried over into the
22 following Gas Year, or if the broker will not be providing Primary Gas in the
23 following Gas Year, then;
24
- 25 i) The annual financial reconciliation will consist of a final payment that
26 completely offsets the remaining net value of the Security Deposits withheld
27 from and repaid to brokers throughout the Gas Year, plus a final payment
28 equal to the Value of the Annual Quantity Difference; and,
29
- 30 ii) The value of the Annual Quantity Difference will be calculated by multiplying
31 the Annual Quantity Difference for the Gas Year by the Company's average
32 unit cost of Primary Gas in storage inventory at the commencement of the
33 Gas Year being reconciled.
34
- 35 f) If the remaining Value of the Gas Loan indicates an overpayment by the Broker,
36 the Company shall pay that amount to the Broker with the next scheduled
37 monthly transaction following completion of the reconciliation calculations.
38
- 39 g) If the remaining Value of the Gas Loan indicates an underpayment by the Broker,
40 the Broker shall pay that amount to the Company with the next scheduled
41 monthly transaction following completion of the reconciliation calculations.
42
- 43 6) With respect to the Gas Loan Mechanism, no interest will be charged or credited by
44 the Company for the Value of the Gas Loan, except for interest that will be calculated
45 on late payments.
46
47

1 I) BILLING AND PAYMENT

- 2
- 3 1) Sales Customers will be billed monthly for Supplemental Gas, Transportation to
- 4 Centra, and Distribution to Customer at rates, as approved by the Board from time to
- 5 time. Bills will be issued on the regular billing cycle established by the Company.
- 6 Subject to the provision of Agency Billing and Collection Service as noted later
- 7 herein, unless the Broker signs an Agency Billing and Collection Agreement with the
- 8 Company, the Broker shall be responsible for billing the Customer for Primary Gas.
- 9 Failure by the Customer who does not utilize the ABC service to pay that Broker's bill
- 10 will not result in termination of service by the Company.
- 11
- 12 2) The Customer is responsible for all charges related to Western Transportation
- 13 Service, including charges incurred by their Broker when acting as the agent for the
- 14 Customer. Such charges include:
- 15
- 16 a) Gas supplies nominated by the Company at the Alberta Border, or at designated
- 17 point(s) of receipt as acceptable to the Company in its sole discretion, on behalf
- 18 of the Customer.
- 19
- 20 b) Payments for gas loaned to the Broker by the Company under the Gas Loan
- 21 Mechanism, including interest where applicable.
- 22
- 23 c) Payments for Backstop Gas provided to the Broker by the Company, including
- 24 interest where applicable.
- 25
- 26 d) Reimbursement of any penalties or charges imposed on the Company as a result
- 27 of the Broker's malfeasance or nonperformance.
- 28
- 29 e) Service fees charged to the Broker by the Company.
- 30
- 31 3) The liability of a Broker's Customers in relation to an obligation of their Broker shall
- 32 be prorated by the Company among the Customers of that Broker, based upon the
- 33 Company's determination of any relevant factors and circumstances. Each
- 34 Customer's liability will be limited to its pro rata share, so determined.
- 35
- 36 4) Should the Broker fail to pay all of the amount of the Gas Loan Mechanism as herein
- 37 provided when such an amount is due, interest shall accrue on the unpaid portion of
- 38 the statement at a rate per annum equal to the Company's average short-term
- 39 borrowing cost, as updated from time to time. If such failure to pay continues for ten
- 40 days after such amount is due, the Company may use any financial security provided
- 41 by the Broker to meet that obligation and may deduct and set-off such amounts from
- 42 and against Primary Gas revenues collected by the Company on behalf of the
- 43 Broker.
- 44
- 45 5) All remittances for the Gas Loan Mechanism will be accomplished via Electronic
- 46 Funds Transfer. Remittances related to the Gas Loan Mechanism may be added to
- 47 or netted against remittances related to ABC Service in order to accomplish a single
- 48 transaction on the scheduled day in each month.
- 49

- 1 6) In the event an error is discovered in the amount billed for the Gas Loan in any
2 statement deemed to be rendered, such error shall be adjusted within thirty (30) days
3 of the determination thereof, provided that such claim shall have been made within
4 sixty (60) days from the date of discovery of the error.
5
6 a) Errors discovered within the same Gas Year will be included in the monthly
7 Quantity Difference and Value of the Gas Loan during that Gas Year.
8
9 b) Errors discovered after the close of the Gas Year will be treated as an Annual
10 Quantity Difference, subject to the same conditions as specified for the Gas Loan
11 Mechanism.
12

13 J) Broker participation in Western Transportation Service is subject to the following:

- 14
15 1) Only Brokers licensed and registered to do business in the Province of Manitoba,
16 and authorized by the Manitoba Public Utilities Board to operate as a Broker in
17 Manitoba are eligible to participate;
18
19 2) The Agency Agreement creating a valid agency relationship between the Broker and
20 the Customer must be retained as set out by the PUB in the Code of Conduct for
21 Direct Purchase Transactions, as may be amended from time to time upon Order of
22 the PUB;
23
24 3) The Agency Agreement must authorize the Broker to fulfill all requirements otherwise
25 required to be met by the Customer under this Part VII Special Terms and
26 Conditions: Western Transportation Service and be enforceable;
27
28 4) The Broker must execute a Western Transportation Service Agreement with the
29 Company on behalf of the Customer;
30
31 5) Brokers must obtain, and maintain in good standing, firm supply contracts and
32 transportation to the Alberta Border, or at designated point(s) of receipt as
33 acceptable to the Company in its sole discretion, sufficient to meet the Maximum
34 Daily Quantity requirements, plus Fuel Gas on TCPL from the Alberta Border to the
35 interconnect between TCPL and the Company, and the allowed annual Primary Gas
36 requirements for each Customer as determined by the Company;
37
38 6) Representations and warranties, satisfactory to the Company, that the Broker
39 complies with the licensing requirements of the Board, including regulation relating to
40 gas supply and transportation, as may be amended from time to time;
41
42 7) The Company may reject service elections from Brokers whose supply is not
43 documented or confirmed to the Company's satisfaction;
44
45 8) The Company is not responsible for damages to the Customer should the Broker fail
46 to perform; and
47
48 9)
49 a) The Broker must have a Standard & Poor's BBB grade credit rating (or its
50 equivalent of either B++ or Baa) or better, or alternatively, or in addition to, a form

1 of guarantee acceptable to the Company from a parent corporation with a
2 Standard & Poor's BBB grade credit rating (or its equivalent of either B++ or Baa)
3 or better, from a Canadian or United States credit rating agency recognized by
4 the Company.

5
6 b) Alternatively, if the Broker is unable to meet the requirements set out in
7 subparagraph 9 a) above, the Broker must provide credit support as reasonably
8 determined and requested by the Company from time to time.

9
10 c) The Broker shall immediately notify the Company in writing in the event that such
11 credit rating of either the Broker or its parent, whatever the case may be, falls
12 below the aforementioned minimum credit standard.

13
14 K) The Company will remain the natural gas provider of last resort.

15
16 1) The Company will provide Backstop Gas on a best-efforts basis to Customers of
17 Brokers whose registrations are revoked or whose Western Transportation Service
18 Agreements are terminated.

19
20 2) Both the Customer and the Broker remain responsible for all obligations that arise by
21 virtue of their participation in the Western Transportation Service, prior to the
22 Customer's return to either the Company's Sales Service for Primary Gas, or to
23 Western Transportation Service with a different Broker.

24
25 L) The Company will provide Backstop Gas in case of a failure of Broker supply on a best-
26 efforts basis as follows:

27
28 1) If on any day, a nomination is not accepted or if for any other reason, the Broker fails
29 to deliver gas to the Alberta Border, or at designated point(s) of receipt as acceptable
30 to the Company in its sole discretion, then the Company shall use its best efforts to
31 acquire gas to replace the failed supply with Backstop Gas.

32
33 2) In this event, the Company shall, in its discretion, charge the Broker and the Broker
34 shall pay for all Backstop Gas acquired on its behalf at a rate which shall not exceed
35 two times the incremental cost of the gas. The Broker and Customer acknowledge
36 that this is not a penalty, but a reasonable pre-estimate of liquidated damages and
37 organizational costs incurred by the Company.

38
39 3) If the Company is unable to acquire Backstop Gas then the Customer, on notice from
40 the Company, shall immediately curtail the use of gas at its facility. Customers who
41 continue to consume gas after notice from the Company will be subject to the
42 Unauthorized Over-Run Gas Charge and the Unauthorized Over-Run Delivery
43 Charge as defined in the Schedule of Sales and Transportation Services and Rates.

44
45 4) All obligations of the Broker and Customer to make up used but undelivered
46 quantities of gas remain in place and other obligations and amounts due to the
47 Company remain due and payable.

48
49 5) The Company shall report all instances where Backstop Gas is supplied, or
50 requested but not supplied, to the Public Utilities Board.

1 M) SUSPENSION AND TERMINATION

- 2
- 3 1) The Company may, without prejudice to its right of termination, suspend its
- 4 obligations hereunder with respect to any Customer which itself or through its Broker
- 5 falls into arrears in any payments required under this Service by more than sixty (60)
- 6 days, such suspension to last until payment is made to the Company of any
- 7 outstanding amount. During such period of suspension, the Company shall, subject
- 8 to its right to disconnect service to the Customer under the provisions of The Public
- 9 Utilities Board Act, use its best efforts to acquire and sell gas to the Customer as
- 10 Backstop Gas, with any alterations as may be necessary.
- 11
- 12 2) Except as otherwise provided in the Terms and Conditions of this Service, the
- 13 Company may terminate its obligations if there is a material breach or default of any
- 14 representation, warranty, or obligation of the Customer or Broker under the Terms
- 15 and Conditions of this Service or any Western Transportation Service Agreement,
- 16 which is not remedied within 10 days of the Company giving written notice of the
- 17 breach or default to the Customer or Broker.
- 18
- 19 3) The Company may immediately terminate its obligations under this Service if one of
- 20 the following events occurs:
- 21
- 22 a) Performance by the Company of its obligations hereunder would be in
- 23 contravention of any law or regulation or any order or decision of a regulatory
- 24 body or governmental authority having jurisdiction; or
- 25
- 26 b) The Broker shall be declared or adjudged bankrupt, or if an application is made
- 27 in respect of the Broker under the Companies Creditors Arrangements Act
- 28 (Canada), or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver
- 29 and manager, moderator or any other officer with similar powers shall be
- 30 appointed in place of or for the Broker, or if the Broker shall commit any act of
- 31 bankruptcy or institute proceedings to be adjudged bankrupt or insolvent or
- 32 consents to the appointment or the institution of such proceedings or admits in
- 33 writing to an inability to pay debts generally as they become due or becomes an
- 34 insolvent person as such term is defined in the Bankruptcy and Insolvency Act
- 35 (Canada); or if the Broker shall have liquidated, dissolved, wound up its affairs or
- 36 otherwise ceased doing business.
- 37
- 38 4) In the event that the Company exercises its rights of termination under paragraph 2
- 39 or 3 of these provisions, the Company shall concurrently with the termination, or as
- 40 soon as reasonably possible thereafter, give written notice to the Customer of the
- 41 termination.
- 42
- 43 5) In the event that this Service or the Agreement under which it is provided is
- 44 terminated, all outstanding obligations incurred under this Service by the Company,
- 45 the Broker and/or the Customer which arise by virtue of the Broker's or the
- 46 Customer's participation in this Service prior to such termination remain in full force
- 47 and effect. The Company and the Broker shall have the right to withhold any
- 48 payments due to the other party until its obligations accruing from the terminating
- 49 Customer are met. As between the Company and the Broker, each shall have the
- 50 right to set off any payments due to it by virtue of the Termination of the WTS

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Agreement against amounts owing to the other pursuant to any Western Transportation Service/Agency Billing and Collection Agreement, or the Gas Loan Mechanism operated thereunder.

6) No waiver by either party or any default by the other party under this Service shall operate as a waiver of any future default, whether of a like or different nature.

|

1 **VIII. SPECIAL TERMS AND CONDITIONS: AGENCY BILLING AND COLLECTION SERVICE (ABC**
2 **SERVICE)**
3

4 A) ABC Service allows a Broker to assign to the Company the right to render bills to
5 Western Transportation Service Customers in respect of the amount payable by the
6 Customers to the Broker for Primary Gas, and to collect from Western Transportation
7 Service Customers the amounts so billed. The Company will provide a single bill to
8 Customers that includes charges for volumes consumed by the Customer as Primary
9 Gas, as well as the Company's charges for services provided by the Company.

10
11 1) In the event that the Broker does not maintain Standard & Poor's BBB grade credit
12 rating (or its equivalent of B++ or Baa) or better, ABC Service is mandatory.

13
14 2) The Broker must sign an ABC Service Agreement with the Company in order to
15 receive this Service.

16
17 3) Provision of this Service in no way makes the Company liable for any obligation
18 incurred by a Broker.

19
20 4) The Company will be entitled to deal with Primary Gas charges collected from
21 Western Transportation Service Customers in the same manner as it deals with its
22 own funds. These funds shall not, at any time, be construed to be trust funds.

23
24 B) The Broker will provide to the Company the Broker's Primary Gas Price to be charged to
25 the Broker's Customers.

26
27 1) The Broker's Primary Gas Price must be expressed in dollars per Cubic Meter of
28 Primary Gas consumed by the Broker's Customers.

29
30 2) The Broker's Primary Gas Price for Customers may be changed effective with the
31 beginning of each calendar month.

32
33 3) Changes to the Broker's Primary Gas Price must be provided to the Company 45
34 days prior to the effective date of such change.

35
36 C) Brokers may enroll Customers in ABC Service at the same time the Customers are
37 enrolled in Western Transportation Service. Enrollment in ABC Service will automatically
38 end when Western Transportation Service is terminated by the Customer, the Broker or
39 the Company.

40
41 1) Brokers must group Customers such that all Customers in the Group are charged the
42 same Broker's Primary Gas Price.

43
44 2) Changes in enrollment for ABC Service may be requested using the enrollment
45 process for Western Transportation Service. The Company will inform the Broker
46 whether it can accommodate the change in enrollment.

47
48 3) The Company will bill the Customer for gas sold by the Broker to the Customer. A
49 tariff of \$0.25 per customer per month will be paid by the Broker to the Company for
50 the provision of this service.

1 D) Bills to any Customer will be issued according to the Company's billing cycle applicable
2 to that Customer.

- 3
- 4 1) The Company will include the Broker's charges for Primary Gas on every bill for
5 natural gas service which the Company renders to the Customer.
6
- 7 2) The Company will calculate the Broker's charges for Primary Gas in the same
8 manner as it calculates its own Charges for Primary Gas, including the provisions for
9 pro-ration of price changes during billing periods.
10
- 11 3) The Customer will make a remittance to the Company based on the total amount of
12 charges on the bill.
13
- 14 4) The Company will be responsible for collecting the total amount of charges on the
15 bill.
16
- 17 5) Payments made by Customers to the Company pursuant to bills rendered by the
18 Company shall be made without any right of deduction or set-off and regardless of
19 any rights the Customers may have against the Broker.
20
- 21 6) Nonpayment of any amounts designated as Primary Gas charges on the bill shall
22 entitle the Company to the same recourse as non-payment of the Company's
23 charges, and may result in termination of service by the Company.
24
- 25 7) The Company's late payment charges to Customers will apply equally to Primary
26 Gas charges and other charges contained on the bill. No portion of these late
27 payment charges will be remitted to the Broker.
28

29 E) The Company will remit to the Broker an amount equivalent to the Broker's charges for
30 Primary Gas subject to the Company's right to deduct and set off any amounts owing to
31 the Company by the Broker. Remittance shall be made by the Company to the Broker
32 for a calendar month on or before the 20th day of the month following such calendar
33 month. If such day is not a Business Day, such amount shall be due and payable on the
34 first Business Day following such day.
35

36 1) Remittances will be based on the total Broker's charges for Primary Gas billed by the
37 Company to the Broker's Customers in that calendar month. The remittance payable
38 by the Company to the Broker for any calendar month will be calculated as the sum
39 of total Broker charges for Primary Gas and any amounts payable for that month by
40 the Company to the Broker under the Gas Loan Mechanism, less any amounts
41 payable by the Broker to the Company, including but not limited to payments
42 required pursuant to the Gas Loan Mechanism.
43

44 2) Where the amounts to be deducted under subparagraph (1) are greater than the sum
45 of Primary Gas charges billed to the Broker's Customers and Gas Loan payments
46 due from the Company to the Broker, the Company will invoice the Broker for the net
47 amount to be paid by the Broker to the Company. Remittance shall be made by the
48 Broker to the Company for a calendar month on or before the 20th day of the month
49 following such calendar month. If such day is not a Business Day, such amount shall
50 be due and payable on the first Business Day following such day.

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- 3) Remittance under ABC Service will be made regardless of the payment status on the Customer's bill.
- 4) Remittance shall be made via electronic funds transfer.
- 5) The Company will issue a statement of the Primary Gas charges billed to the Broker's Customers on the 15th day of the month following the month in which gas is delivered. If such day is not a Business day, such statement shall be issued on the first Business Day following such day.
- 6) Any amount to be remitted hereunder and not remitted on or before the date on which it is due (the "due date") shall thereafter bear interest at an annual rate equal to the cost of the Company's average short-term borrowing cost, as updated from time to time.
- 7) Any taxes (other than the Company's income taxes) and other charges which may become payable on or in respect of any Billing Service Fee payable by the Broker hereunder shall be borne and paid by the Broker.
- 8) Nothing contained in these Special Terms and Conditions of Agency Billing and Collection Service shall operate to assign to the Company, or require the Company to bill or collect or remit, any amounts payable as between the Customer and the Broker, save and except such charges for Primary Gas as the Company shall calculate hereunder using the Broker's Primary Gas Price effective pursuant to this Service.
- 9) The Company may terminate service under this Service for reasons other than Customer non-payment if the Broker shall be declared or adjudged bankrupt, or if an application is made in respect of the Broker under the Companies Creditors Arrangements Act (Canada), or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver and manager, moderator or any other officer with similar powers shall be appointed in place of or for the Broker, or if the Broker shall commit any act of bankruptcy or institute proceedings to be adjudged bankrupt or insolvent or consents to sue, appointment or the institution of such proceedings or admits in writing to an inability to pay debts generally as they become due or becomes an insolvent person as such term is defined in the Bankruptcy and Insolvency Act (Canada); or if the Broker shall have liquidated, dissolved, wound up its affairs or otherwise ceased doing business. In addition, the Company may immediately terminate this Service in the event of a breach of the Agency Billing and Collection Service Agreement that is not remedied within ten (10) days of the notice of such breach being provided. Notwithstanding the termination of ABC Service, each party shall continue to be liable to pay, on the terms herein specified, any amount accrued or accruing due by such party to the other at the time of termination, regardless of when such amount becomes payable.

1 **IX. RATE SCHEDULES (BASE RATES ONLY – NO RIDERS)**

2
3 Please see pages 1 and 2 of Appendix A as attached.
4

5
6 **X. RATE SCHEDULES – ANNUAL RATES (BASE RATES PLUS RIDERS)**

7
8 Please see pages 3 and 4 of Appendix A as attached.
9

10
11 **XI. MISCELLANEOUS CHARGES FOR SERVICE**

12
13 **ABC SERVICE FEE**

14 \$0.25 per customer per month
15

16 **COMPANY LABOUR RATES:**

17 Please see Appendix B as attached.
18

19 **DAMAGE TO COMPANY EQUIPMENT:**

20 Materials, labour, equipment and cost of gas, including Damage Investigation and
21 Damage Repair and the cost of all Appliance Relights necessitated by the damage or
22 the repair thereof, as set out in Appendix B, Attached.
23

24 **EQUIPMENT RENTAL RATE:**

25 Various rates depending on equipment and customer class.
26

27 **FURNACE SAFETY CHECK:**

28 The charge for a safety check and tune-up of a natural gas furnace will be \$50. There is
29 no charge for the Company to investigate a situation involving the potential leakage of
30 gas.
31

32 **INSPECTION/REINSPECTION FEES:**

33 Inspection or reinspection of a single replacement or additional residential appliance will
34 be \$35.00. All other inspections or reinspections (minimum charge of 1 hour) will be
35 \$55.00 per hour.
36

37 **LATE PAYMENT CHARGE:**

38 A late payment charge of 1 ¼% per month shall be charged on the dollar amount owing
39 after each billing due date. The due date will be at least 14 days after the mailing of the
40 bills.
41

42 **MATERIALS:**

43 Manufacturer's listed price plus freight and taxes.
44

45 **METER RELOCATIONS:**

46 Various rates depending on size of meter.
47
48
49
50

1 METER TEST:

2 When a Customer requests a test for the meter, the charge will be \$11035 for a
3 Residential Meter or \$220430 for a Commercial Meter. This charge includes the cost of
4 the test performed, and the removal and replacement of the natural gas meter.
5

6 UNAUTHORIZED OVER-RUN DELIVERY CHARGE:

7 For delivery service taken in contravention of the Company's notice of curtailment, the
8 applicable Unauthorized Over-Run Delivery Charge shall be equal to the greater of: firm
9 LGS volumetric rate for Transportation to Centra and Distribution to Customer Service,
10 or; a pro rata share with any other Customers in contravention of the Company's notice
11 of curtailment of any incremental costs incurred directly or indirectly as a result of such
12 contravention.
13

14 UNAUTHORIZED OVER-RUN GAS CHARGE:

15 For Unauthorized Over-Run Gas taken in contravention of any conditions set forth in
16 these terms and conditions of service, the Company may charge the applicable delivery
17 charge, plus the greater of either:

- 18 a) 1.5 times the settled maximum daily NGX AB-NIT Same Day Index (High) as
19 reported in the Canadian Gas Price Reporter (CGPR) during the time period that
20 the Customer was curtailed, or
21 b) the natural gas rate in dollars per cubic metre equivalent to 1.5 times the
22 maximum daily terminal unbranded rack price for Furnace Fuel Oil in dollars per
23 litre that was reported in Winnipeg during the time period that the Customer was
24 curtailed, or
25 c) the cost to the Company of obtaining replacement gas for delivery to the
26 designated receipt point on that day.
27

28 RECONNECT FEES:

29
30 On each occasion when gas service is discontinued and subsequently resumed to the
31 same Consumer at the same Premises, a reconnect fee will be charged in addition to:
32 (a) the Basic Monthly Charge, except where a customer is disconnected in accordance
33 with Section G) 2) of the Terms and Conditions of Service; and (b) the Demand Charge
34 (if applicable) for the period of disconnection. For purposes of establishing the Monthly
35 Demand Charge, the Demand Charge billed during the last month that service was
36 provided will apply.
37

38 Where a service reconnection takes place during regular business hours, a reconnect
39 fee of \$7050 (plus GST) shall be charged. Where a service reconnection takes place
40 outside of regular working hours a reconnect fee of \$10065 (plus GST) shall be charged.
41

42 In the event that the meter, regulation equipment and/or service line are removed and
43 replaced on the same Premises within five years of removal, the Company may charge
44 an additional fee equal to the cost of resetting the meter and regulator and installation of
45 the new service line.
46
47
48
49

1 RETURNED CHEQUE CHARGE:
2 When a Consumer's cheque is returned by banks or other financial institutions for
3 reasons beyond the control of the Company, a returned cheque charge of \$20.00 will be
4 assessed to the Customer.

5
6 SECURITY DEPOSITS:
7 Three highest months consumption to a maximum of \$225.

8
9 TEMPORARY DISCONNECTION:
10 In situations where a Premise is renovated, demolished or altered such that temporary
11 removal of the Company's equipment is required, the Company may charge a cost
12 based fee for re-establishing the natural gas service.

13
14 SERVICE RELOCATIONS AND ALTERATIONS
15 Where a customer requests, or where the customer's conduct requires, that an existing
16 meter, regulator and/or service line be altered or relocated (so that it follows a different
17 route from that chosen by the Company when it was initially installed or alters the
18 existing configuration), the Company may require and the Customer shall pay all costs
19 associated with the alteration or relocation, including the material, labour, and equipment
20 required to perform the alteration or relocation.

21
22 YARD SERVICES:
23 Materials plus 40% plus labour.
24

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1 **I. TERRITORY SERVED**

2
3 This Schedule of Sales and Transportation Services and Rates applies to the following territory:

4
5

Zone	Area Definition
1	Ste. Anne (Town), Ste. Anne, (R.M.), Niverville (Town), Steinbach (City), Hanover (R.M.), St. Pierre-Jolys (Village), Desalaberry (R.M.), La Broquerie (R.M.), Ritchot (R.M.), Altona (Town), Montcalm (R.M.), Emerson-Franklin Municipality, Dufferin (R.M.), Carman (Town), Stanley (R.M.), Morden (City), Winkler (City), Rhineland Municipality, Morris (Town), Grey (R.M.), Morris (R.M.), Beausejour (Town), Thompson (R.M.), Roland (R.M.), Piney (R.M.); Portage la Prairie (City), Portage la Prairie (R.M.), Long Plain Madison First Nation, North Norfolk Municipality, Cartier (R.M.), Dakota TIPI First Nation, Norfolk Treherne Municipality, Winnipeg (City), Headingley (R.M.), Stonewall (Town), Selkirk (City), Winnipeg Beach (Town), Gimli (R.M.), East St. Paul (R.M.), West St. Paul (R.M.), Brokenhead (R.M.), MacDonald (R.M.), Richot (R.M.), Rockwood (R.M.), Rosser (R.M.), Springfield (R.M.), St. Andrews (R.M.), St. Clements (R.M.), Tache (R.M.), Reynolds (R.M.), Teulon (Town), Dunnottar (Village), Bifrost-Riverton Municipality, Arborg (Town), Woodlands (R.M.), Dauphin (City), Dauphin (R.M.), Roseau River Anishinabe First Nation
2	WestLake-Gladstone Rural Municipality, Glenella-Lansdowne Municipality, North Norfolk Municipality, Swan Valley West Municipality, Swan River (Town), Minitonas-Bowsman Municipality, North Norfolk Municipality, Dauphin (R.M.), Gilbert Plains Municipality, Cornwallis (R.M.)
3	Gilbert Plains Municipality, Grandview Municipality, Ellice-Archie (R.M.), Neepawa (Town), Prairie View Municipality, North Cypress-Langford Municipality, Virden (Town), Hartney (Town), Grassland Municipality, Melita (Town), Two Borders Municipality, Pipestone (R.M.), Souris-Glenwood Municipality, Minto-Odanah (R.M.), Brandon (City), Cornwallis (R.M.), Elton (R.M.), Carberry (Town), Swan Lake First Nation, North Norfolk Municipality, Dauphin (R.M.), Killarney-Turtle Mountain Municipality, Grassland Municipality, Deloraine-Winchester Municipality, Wallace-Woodworth (R.M.), Prairie View Municipality
4	Roblin Municipality, Riding Mountain West (R.M.), Russell-Binscarth Municipality, Minnedosa (Town), Ellice-Archie (R.M.), Yellowhead (R.M.), Rosedale (R.M.), Riverdale Municipality, Minto-Odanah (R.M.), Hamiota Municipality, Wallace-Woodworth (R.M.), Boissevain-Morton Municipality, Killarney-Turtle Mountain Municipality, Deloraine-Winchester Municipality, Hamiota Municipality, Grassland Municipality, Prairie View Municipality, Pipestone (R.M.), Minto-Odanah (R.M.)
5	Minto-Odanah (R.M.)

6
7
8 Note: See Section IV General Terms and Conditions D) 12) b).
9

1 **II. DEFINITION OF TERMS**

2
3 Except where the context expressly states another meaning, the following terms, when used in
4 this Schedule of Sales and Transportation Services and Rates, shall have the following meanings:

- 5
6 A) "10³m³" means 1,000 Cubic Meters of gas.
7
8 B) "AGENCY AGREEMENT" means an agreement between a Customer and Broker, which
9 at a minimum, authorizes and requires the Broker to act on the Customer's behalf with
10 respect to natural gas service.
11
12 C) "AGENCY BILLING AND COLLECTION SERVICE" (or "ABC SERVICE") means a service
13 wherein the Company bills the Customer for gas sold by the Broker to the Customer.
14
15 D) "AGENT" means a gas supply Broker acting on behalf of a Customer.
16
17 E) "ALBERTA BORDER" means the location(s) in Alberta and Saskatchewan, where natural
18 gas can be accepted into the TransCanada PipeLine system.
19
20 F) "ALTERNATE SUPPLY SERVICE" means any supply or source of gas that the Company
21 may offer from time to time, in lieu of curtailment, to Interruptible Sales Service Customers.
22
23 G) "ANNUAL QUANTITY DIFFERENCE" means, for purposes of Western Transportation
24 Service, the sum of the monthly Quantity Differences for the twelve months of the Gas
25 Year.
26
27 H) "AUTHORIZED SALES VOLUME" means the volume of gas which the Company agrees
28 to sell to the Customer on a given day as specified in a Contract.
29
30 I) "BACKSTOP GAS" means that quantity of gas agreed upon by the Company and the
31 Broker and/or Customer which is to supplement, in whole or in part, an impairment to gas
32 deliveries to the Company by or for the Broker and/or Customer.
33
34 J) "BASE RATE" means the rate charged for a Service, not including any rate riders or other
35 adjustment factors.
36
37 K) "BASIC MONTHLY CHARGE" means a fixed monthly charge that reflects a portion of the
38 costs of being connected to the gas distribution system and is not related to the volume of
39 gas consumed.
40
41 L) "BOARD" means the Public Utilities Board of Manitoba.
42
43 M) "BROKER" means an entity authorized by the Public Utilities Board of Manitoba to sell
44 natural gas commodity.
45
46 N) "BROKER'S PRIMARY GAS PRICE" means the retail price charged by a Broker to a
47 Customer for sales of Primary Gas which is used by the Company to bill the Customer
48 under ABC Service.
49

- 1 O) "BUSINESS DAY" means any calendar day exclusive of Saturdays and Sundays and
2 exclusive of days which are statutory or legal holidays under the laws of Manitoba.
3
- 4 P) "COMPANY" means Centra Gas Manitoba Inc. and its successors and assigns.
5
- 6 Q) "CONTRACT YEAR" means a period of 12 or fewer consecutive months ending on
7 October 31.
8
- 9 R) "CONTRACT" means, for the purposes of these Terms and Conditions of Service and the
10 Rate Schedules into which they are incorporated, an agreement to provide service either
11 implied, written, or oral.
12
- 13 S) "CUBIC METER - DAY" ("m³/day") means the maximum volume of gas consumed in a
14 single 24 hour period.
15
- 16 T) "CUBIC METER" ("m³") means the volume of gas which occupies one cubic meter when
17 such gas is at a temperature of 15.56 degrees Celsius, and at a pressure of 101.560
18 kilopascals absolute.
19
- 20 U) "CUSTOMER" (or "Consumer") shall include any person, firm, or corporation to whom gas
21 is delivered or any other goods or services, including attachment to the system, are
22 provided by the Company. No person, firm or corporation is a Customer in relation to
23 services provided under a "shared services agreement" or services received in the
24 recipient's capacity as a Broker.
25
- 26 V) "DAY" means a period of 24 consecutive hours beginning and ending at 9:00 a.m., in the
27 time zone in which deliveries are made. The reference date for any day shall be the
28 calendar date on which the 24 hour period shall commence.
29
- 30 W) "DELIVERY POINT" means the location at which the Company shall deliver gas to the
31 Customer.
32
- 33 X) "DELIVERED SERVICE" means natural gas supply purchased by the Company under an
34 arrangement which includes delivery of the natural gas to the Company's transmission
35 and distribution system.
36
- 37 Y) "DELIVERY SERVICE" means the transmission and distribution of natural gas from the
38 Receipt Point to the designated Delivery Point for the Customer.
39
- 40 Z) "FIRM DAILY CONTRACT DEMAND" means the maximum volume of gas which the
41 Company obligates itself to be ready to deliver and/or sell daily to the Customer's Delivery
42 Point on a Firm Service basis.
43
- 44 AA) "FIRM SERVICE" means gas service at one Delivery Point and separately metered where
45 the service may not be curtailed except for Force Majeure.
46
- 47 BB) "FUEL GAS" means the quantity of gas which is required to transport gas along the
48 TransCanada PipeLine system, or any other pipeline or storage system that is separate
49 from the Company's transmission and distribution system.

- 1
2 CC) "GAS" means natural gas having a gross heating value of not less than 36 megajoules per
3 Cubic Meter (950 Btu per cubic foot).
4
- 5 DD) "GAS LOAN" means the quantity of gas that must be exchanged between each individual
6 Broker on behalf of that Broker's Customer(s) and the Company for purposes of
7 reconciling differences between Primary Gas Billed and Primary Gas Delivered under
8 Western Transportation Service.
9
- 10 EE) "GAS LOAN MECHANISM" means a mechanism for the exchange of Primary Gas and
11 financial payments between each individual Broker on behalf of that Broker's Customer(s)
12 and the Company under Western Transportation Service.
13
- 14 FF) "GAS YEAR" means a period of 365 consecutive days beginning on the first day of
15 November; provided however, that any such year which contains a date of February 29
16 shall consist of 366 days.
17
- 18 GG) "GROSS HEATING VALUE" means the total joules expressed in megajoules per Cubic
19 Meter (MJ/m³) produced by the complete combustion at constant pressure of one (1)
20 Cubic Meter of gas with air, with the gas free of water vapor and the temperature of the
21 gas, air and products of combustion to be at standard temperature and all water formed
22 by combustion reaction to be condensed to the liquid state.
23
- 24 HH) "GROUP" means a group of Customers designated by a Broker in a single agreement
25 under Western Transportation Service or ABC Service.
26
- 27 II) "INTERRUPTIBLE DAILY CONTRACT DEMAND" means the maximum volume of gas
28 which the Company obligates itself to be ready to deliver and/or sell daily to the
29 Customer's Delivery Point on an Interruptible Service basis.
30
- 31 JJ) "INTERRUPTIBLE SERVICE" means gas service at one point of delivery and separately
32 metered where, at any time, the service may be interrupted at the sole discretion of the
33 Company.
34
- 35 KK) "INTERCONNECT POINT" means the point on the TransCanada PipeLine system or any
36 other pipeline designated by such pipelines as their point of receipt.
37
- 38 LL) "JOULE" ("J") is the unit of energy measured as the work done when the point of
39 application of force of one newton is displaced a distance of one meter in the direction of
40 the force. The terms megajoule and gigajoule means 1×10^6 and 1×10^9 joules,
41 respectively.
42
- 43 MM) "LOAN PRICE" means the unit price used in determining the Value of the Gas Loan
44 included under Western Transportation Service.
45
- 46 NN) "MAXIMUM DAILY QUANTITY" means the maximum quantity of gas that the Company
47 will nominate on behalf of a Customer from the Customer's supplier for Primary Gas supply

- 1 on a given day. The Maximum Daily Quantity does not include Fuel Gas and may be more
2 than the Customer's Firm Daily Contract Demand.
3
- 4 OO) "MEDIUM PRESSURE" means the pressure that the Company utilizes in its distribution
5 system that is no greater than 60 pounds per square inch.
6
- 7 PP) "MONTH" means the period beginning at 9:00 a.m. on the first Day of the calendar month
8 and ending at the same hour on the first Day of the next succeeding calendar month.
9
- 10 QQ) "MONTHLY BILLING DEMAND" means the highest daily consumption measured in Cubic
11 Meters on any given day of the month, provided the month is a Winter Month, or in any
12 Winter Month of the preceding eleven months. For Customers without twelve months of
13 demand billing data, the Monthly Billing Demand may be estimated or otherwise specified
14 by the Company.
15
- 16 RR) "MONTHLY DEMAND CHARGE" means a monthly charge that reflects the Customer's
17 use of the capacity of the system. The Monthly Demand Charge is calculated as the
18 Monthly Billing Demand for the month multiplied by the applicable unit demand rate.
19
- 20 SS) "NOMINATED VOLUME" means the quantity of gas expressed in gigajoules which the
21 Customer has arranged to deliver to the Receipt Point, and the Company has agreed to
22 receive, in a given day.
23
- 24 TT) "NORMAL YEAR GAS REQUIREMENTS" means the annual gas requirements that would
25 be required under weather conditions determined from a 25-year rolling average as
26 calculated from time to time by the Company.
27
- 28 UU) "PREMISES" means the location specified in an application for service, or such other
29 location to which the Company delivers gas.
30
- 31 VV) "PRIMARY GAS" means the gas requirements that may be served with gas from Western
32 Canada which is received at the Alberta Border.
33
- 34 WW) "PRIMARY GAS BILLED" means the quantity of Primary Gas calculated to have been
35 consumed, as rendered by the Company on bills to Customers, in accordance with the
36 Company's practices.
37
- 38 XX) "PRIMARY GAS DELIVERED" means the quantity of Primary Gas delivered by the Broker
39 to the Company as part of the Western Transportation Service Agreement.
40
- 41 YY) "QUANTITY DIFFERENCE" means the difference between the Primary Gas Delivered
42 and the Primary Gas Billed under Western Transportation Service expressed in either
43 Cubic Metres or Gigajoules.
44
- 45 ZZ) "RECEIPT POINT" means the interconnection between the Company's transmission and
46 distribution system and TransCanada PipeLines transmission system.
47
- 48 AAA) "SALES SERVICE" means gas service in which the Company procures gas quantities to
49 satisfy the Customer's gas requirements.

- 1
2 BBB) "SERVICE LINE" means that portion of the Company's distribution system used for the
3 delivery of gas from the main to the inlet side of the meter assigned to the Customer.
4
- 5 CCC) "STANDARD PRESSURE" means an absolute pressure equal to 101.560 kPa at 15.56
6 degrees Celsius.
7
- 8 DDD) "SUPPLEMENTAL" means the quantity of gas, exclusive of Alternate Supply provided to
9 Interruptible Customers, that is provided by the Company in order to meet gas
10 requirements in excess of the portion of requirements that can be met by Primary Gas.
11
- 12 EEE) "TRANSCANADA" means TransCanada PipeLines Limited.
13
- 14 FFF) "TRANSPORTATION SERVICE (T-SERVICE)" means transmission and/or distribution of
15 Customer-owned gas on the Company's system as defined in the Contract between
16 Customer and the Company.
17
- 18 GGG) "UNAUTHORIZED OVER-RUN GAS" means:
19 a) any and all quantities of natural gas consumed by an Interruptible Class Customer
20 during a period of time that the Company has curtailed service to that customer, and during
21 which that Customer is not receiving Alternate Supply Service, and/or;
22 b) any and all quantities of natural gas consumed by a Customer of a Broker that has
23 failed to supply their requirements, during a period of time that the Company has curtailed
24 service to that Customer because the Company is unable to acquire Backstop Gas.
25
- 26 HHH) "UNAUTHORIZED OVER-RUN GAS CHARGE" means a volumetric charge per cubic
27 metre for the procurement and supply of Unauthorized Over-run Gas consumed by a
28 Customer.
29
- 30 III) "UNAUTHORIZED OVER-RUN GAS DELIVERY CHARGE" means a delivery charge per
31 cubic metre for Unauthorized Over-run Gas consumed by a Customer.
32
- 33 JJJ) "VALUE OF THE GAS LOAN" means the amount of money equal to the quantity of the
34 Gas Loan multiplied by the Loan Price as part of Western Transportation Service.
35
- 36 KKK) "VOLUMETRIC CHARGE" means a charge based on the volume of natural gas measured
37 over an extended period of time, such as a monthly billing period.
38
- 39 LLL) "WINTER MONTH" means the months of November, December, January, February, and
40 March.
41
- 42 MMM) "YEAR" means a period of 365 consecutive days; provided however, that any such year
43 which contains a date of February 29 shall consist of 366 days.
44
45

1 **III. DESCRIPTION OF AVAILABLE RATES AND SERVICES**

2
3 This section provides general descriptions of the rates and services offered by the Company and
4 other related matters. The descriptions provided in this section are not comprehensive and may
5 be changed by the Company at any time. The characteristics and charges associated with any of
6 the following services may be changed at any time subject to Board Approval.

7
8 The Company offers two basic services. These are Sales Service, where the Company provides
9 some of the Customer's gas requirements, and Transportation Service, where the Company does
10 not provide any of the Customer's gas requirements.

11
12 **Sales Service** is a service in which the Company procures and manages gas supplies, and
13 arranges the delivery of those supplies to the Customer. Sales Service consists of four distinct
14 components: Primary Gas; Supplemental Gas; Transportation to Centra; and Distribution to
15 Customer. **Primary Gas** is natural gas procured at the Alberta Border. Sales Customers may
16 choose to purchase Primary Gas from either the Company or an alternative supplier.
17 **Supplemental Gas** is natural gas procured from all other sources. The Company provides
18 Supplemental Gas to all Sales Customers, regardless of the source of the Customer's Primary
19 Gas. **Transportation to Centra; and Distribution to Customer** includes the management of all
20 gas, including transportation to Manitoba, and the transmission and delivery of that gas to
21 Customers. **Transportation Service** ("T-Service") allows a Customer to procure and deliver its
22 own natural gas supplies to the Company's Receipt Point. The Company's T-Service is the
23 agreement under which the Company delivers that natural gas from the Receipt Point to the
24 Customer's facility. Special Terms and Conditions of Transportation Service are covered in
25 Section V.

26
27 Sections IX and X set out the specific rates for both Sales Service and T-Service.

28
29 **A) OPTIONAL SERVICE OFFERINGS:**

30
31 **1) Western Transportation Service**

32 The Company manages and delivers Broker-provided Primary Gas from the Alberta
33 Border to the Customer's facility. The Company then delivers this gas to the Customer
34 or otherwise as appropriate. An Agency Agreement between the Customer and the
35 Broker, and a separate Western Transportation Service Agreement between the
36 Customer, the Broker and the Company are required to take this service, which may be
37 executed on behalf of the Customer by the Broker as the Customer's agent. Western
38 Transportation Service is subject to the Special Terms and Conditions as set forth in
39 Section VII hereof. Western Transportation Service Customers are eligible for Alternate
40 Supply Service and Backstopping Service as described in the Optional Service Offerings
41 provided herein.

42
43 Agency Billing and Collection ("ABC") Service is offered in conjunction with Western
44 Transportation Service. ABC Service allows the Company to bill the Customer for Primary
45 Gas on behalf of the Broker, using the Broker's Primary Gas Price. The Customer makes
46 a single payment to the Company.

47
48 **2) Alternate Supply Service**

49 The Company may provide, on a best efforts basis, Alternate Supply Service on an
50 interruptible basis to Interruptible Customers requesting such service, who otherwise

1 would be interrupted by the Company for supply reasons. Alternate Supply Service may
2 be arranged by the Company at prices in accordance with the provisions of Section VI
3 hereof.
4

5 **3) Backstopping Service**

6 The Company may provide Backstopping Service, if requested, on a best efforts basis to
7 T- Service and Western Transportation Service Customers whose gas supply fails or
8 cannot be delivered to the Company's distribution system.
9

10 **4) Short Term Interruptible Transportation Service**

11 During periods where curtailment would otherwise be implemented, the Customer may
12 elect to provide its own gas supply delivered to the Company's Receipt Point in lieu of
13 Company provided gas supply. The Customer's gas supply will be transported to the
14 Delivery Point under the Short Term Interruptible Transportation Service.
15

16 **B) SERVICE OFFERINGS BY SERVICE CLASSIFICATION:**

17
18 Customers are classified as either Small General Class, Large General Class, High Volume Firm
19 Class, Co-op Class, Interruptible Class, Mainline Class, Special Contract Class or Power Station
20 Class.
21

22 **1) Small General Class ("SGC")**

23 While meter size does not determine which class a Customer is in, SGC Customers, as
24 general guide, receive gas through one meter of the type and capacity typically installed
25 for individual residences. Sales Service and the Optional Service offerings associated
26 therewith are the only services available to these Customers. T- Service is not available.
27 Service is on a firm basis and the charges include a Basic Monthly Charge, a Primary Gas
28 charge, a Supplemental Gas charge, a Transportation to Centra charge; and a Distribution
29 to Customer Volumetric Charge as described in Sections IX and X of this Schedule of
30 Sales and Transportation Services and Rates. All Customers with annual consumption of
31 less than 680,000 m³ are eligible for this rate.
32

33 Customers that are eligible for this class may elect to be reclassified as Large General
34 Class instead, however, that election will remain in effect until a subsequent election is
35 made and each election must remain effective for a minimum of one year.
36

37 Customers in this class are eligible for Western Transportation Service as described in the
38 Optional Service Offerings as provided herein.
39

40 **2) Large General Class ("LGC")**

41 While meter size does not determine which class a Customer is in, LGC Customers, as a
42 general guide, receive gas through one meter of the type and capacity not commonly
43 installed for individual residences. These Customers receive Firm Sales Service; T-
44 Service is not available. The charges include a Basic Monthly Charge, a Primary Gas
45 charge, a Supplemental Gas charge, a Transportation to Centra charge; and a Distribution
46 to Customer Volumetric Charge as described in Sections IX and X of this Schedule of
47 Sales and Transportation Services and Rates. All Customers with annual consumption of
48 less than 680,000 m³ are eligible for this class. Customers who are eligible for this class
49 may elect to be reclassified as SGC. That election, however, will remain in effect until a

1 subsequent election is made and each election must remain effective for a minimum of
2 one year.

3
4 Sales Customers in this class are eligible for Western Transportation Service as described
5 in the Optional Service Offerings provided herein.
6

7 **3) High Volume Firm (“HVF”) Class**

8 HVF Customers receive gas on a firm basis through one meter, where annual
9 consumption equals or exceeds 680,000 m³. These Customers may elect to receive either
10 Firm Sales Service or Firm Transportation Service. The charges include a Basic Monthly
11 Charge, a Monthly Demand Charge, a Primary Gas charge, a Supplemental Gas charge,
12 a Transportation to Centra charge, and a Distribution to Customer Volumetric Charge as
13 described in Sections IX and X of this Schedule of Sales and Transportation Services and
14 Rates. Customers desiring this service must execute a binding agreement with the
15 Company with a minimum term of one year. Any change in classification from HVF Class
16 to Interruptible Class shall be at the consent of the Company.
17

18 Sales Customers in this class are eligible for Western Transportation Service as described
19 in the Optional Service Offerings provided herein. Transportation Service Customers in
20 this class are eligible for Backstopping Service as described in the Optional Service
21 Offerings provided herein.
22

23 **4) Co-op (“Co-op”) Class**

24 Co-op Customers receive gas through one meter where the Customer is served directly
25 from the Company’s medium pressure transmission system or through dedicated
26 distribution facilities at pressures in excess of medium pressure and whose annual gas
27 requirements are less than 680,000 m³. Co-op customers must distribute gas and be
28 regulated by the PUB. Co-op Customers must contract with the Company for 12 months
29 or longer for firm year-round service, and have a load factor of less than 40%.
30

31 Co-op Customers may elect Firm Sales Service, or Firm Transportation Service. The
32 charges include a Basic Monthly charge, a Monthly Demand charge, a Primary Gas
33 charge, a Supplemental Gas charge, a Transportation to Centra charge, and a Distribution
34 to Customer Volumetric Charge as described in Sections IX and X of this Schedule of
35 Sales and Transportation Services and Rates. This service may be subject to Special
36 Terms and Conditions as specified in sections V and VI.
37

38 Sales Customers in this class are eligible for Western Transportation Service as described
39 in the Optional Service Offerings provided herein. T-Service Customers in this class are
40 eligible for Backstopping Service as described in the Optional Services Offerings provided
41 herein.
42

43 **5) Interruptible Class (“IC”)**

44 Interruptible Customers receive gas through one meter where the service may be
45 interrupted by the Company from time to time upon notice to the Customer. Interruptible
46 Service is available only in situations where, in the sole opinion of the Company, a benefit
47 exists for the Company or other Customers. Interruptible Service is available to
48 Customers whose annual gas requirements equal or exceed 680,000 m³ and who contract
49 for such service for a minimum of one year, or to Customers that have received
50 Interruptible Service continuously since December 31, 1996. Sales Service or

1 Transportation Service are available. The charges include a Basic Monthly Charge, a
2 Monthly Demand Charge, a Primary Gas charge, a Supplemental Gas charge, a
3 Transportation to Centra charge, and a Distribution to Customer Volumetric Charge as
4 described in Sections IX and X of this Schedule of Sales and Transportation Services and
5 Rates. Interruptible Service is subject to Special Terms and Conditions of Service as set
6 out in Sections V and VI, which also includes charges for failure to comply with the Terms
7 and Conditions of the service.
8

9 Sales Customers in this class are eligible for Short Term Interruptible Transportation
10 Service, Western Transportation Service, and/or Alternate Supply Service as described in
11 the Optional Service Offerings provided herein. T-Service Customers in this class are
12 eligible for Backstopping Service as described in the Optional Service Offerings provided
13 herein.
14

15 **6) Mainline Class (“MLC”)**

16 Mainline Customers receive gas through one meter where the Customer is served directly
17 from the Company’s transmission system or through dedicated distribution facilities at
18 pressures in excess of medium pressure and whose annual gas requirements equal or
19 exceed 680,000 m³ and who contract for such service for a minimum of one year. Mainline
20 Customers may elect Firm Sales Service, Interruptible Sales Service (in conjunction with
21 Firm Delivery Service), or Firm Transportation Service. The charges include a Basic
22 Monthly Charge, a Monthly Demand Charge, a Primary Gas charge, a Supplemental Gas
23 charge, a Transportation to Centra charge, and a Distribution to Customer Volumetric
24 Charge as described in Sections IX and X of this Schedule of Sales and Transportation
25 Services and Rates. This service may be subject to Special Terms and Conditions as
26 specified in sections V and VI.
27

28 Sales Customers in this class are eligible for Alternate Supply Service, Short Term
29 Interruptible Transportation Service and/or Western Transportation Service as described
30 in the Optional Service Offerings provided herein. T-Service Customers in this class are
31 eligible for Backstopping Service as described in the Optional Service Offerings provided
32 herein.
33

34 **7) Special Contract Class**

35 The Company provides Special Contract service through a written agreement between
36 the Company and a Customer which governs the gas service to the Customer. Special
37 Contract Service may include Sales Service and/or a Transportation Service. This service
38 will be governed by the terms of the individual contract.
39

40 **8) Power Station Class**

41 The Company provides service to electrical generating stations which use natural gas in
42 the production of electricity through a written agreement between the Company and the
43 Customer which governs the gas service to the Customer. Power Station Service may
44 include Sales Service and/or Transportation Service. This service will be governed by the
45 terms of the individual contract.
46

1 **IV. GENERAL TERMS AND CONDITIONS**

2
3 This Section IV deals with sales, delivery, and transportation services provided by the Company.

4
5 **A) CONTRACT FOR SERVICE**

6
7 **1) General**

8 a) These General Terms and Conditions shall apply to all contracts (howsoever created)
9 for gas service under any of the Company's rate schedules or service classifications,
10 including Special Contracts; provided that, if the provisions of any explicit Contract
11 conflict with these Terms and Conditions, the provisions contained in the explicit
12 Contract shall prevail.

13
14 b) These General Terms and Conditions may, subject to approval by the Board, be added
15 to, altered, or amended by the Company from time to time and any such addition,
16 alteration, or amendment shall become effective upon Order of the Board.

17
18 **2) Application for Service**

19 a) Application for a service line shall be made on a form provided by the Company. The
20 application, when signed by the Customer and accepted by the Company, shall
21 become a contract for gas service.

22
23 b) Verbal application for gas service to premises having existing facilities may be
24 accepted by the Company. In such cases, a contract is deemed to be made between
25 the Company and the Customer.

26
27 c) When two or more rates and/or services are available to a Customer, the Customer
28 may elect the rates and/or services to be provided to the Customer. In the event that
29 an election is not specified, the Company will make an election. The Customer may
30 make an alternative election at any time subject to reasonable notice. The Customer,
31 having made an election, must remain with that rate and/or service for a period of not
32 less than twelve months following the effective date of the election. All elections are
33 prospective only.

34
35 **3) Termination**

36 The Customer may terminate the contract by providing no less than seven (7) days notice
37 to the Company, to be effective on the later of seven (7) days following receipt of such
38 notice by the Company or the date specified in such notice by the Customer.
39 Notwithstanding any such termination, the Company retains its rights of access as noted
40 in Paragraph IV B) 8) to its equipment on or in the Customer's property and the Customer
41 remains liable to the Company for any amounts payable under the contract of service up
42 to the latter of the date of termination, or the remaining period of the contract. Any
43 additional contracts or agreements in place between the Customer and the Company
44 remain subject to the termination provisions contained therein.

45
46 **4) Easements and Rights-of-Way**

47 a) If, before the point of entry at the Premises, a service line must cross property owned
48 by some person other than the Customer, the Company shall obtain from such person

1 a written consent or easement for the installation and maintenance of the service line
2 and related facilities.

- 3
4 b) If the Customer is not the registered owner of the Premises, the Customer shall obtain
5 for the Company from the said owner the necessary consent or easement in writing
6 for the installation and maintenance in said Premises of all necessary facilities for
7 supplying gas; provided that the Company may, at its option, itself acquire such
8 consent or easement.
9

10 **5) Assignment**

11 All contracts for service shall be binding upon, and inure to the benefit of, the parties hereto
12 and their respective successors and assigns, but shall not be assigned or be assignable
13 by the Customer without the consent in writing of the Company first being obtained which
14 consent may be withheld by the Company.
15

16 **6) Representation**

17 No agent, representative, or employee of the Company has the authority to make any
18 promise, agreement, or representation not incorporated within the Company's Schedule
19 of Sales and Transportation Services and Rates or executed through a contract for
20 service, and any such promise, agreement, or representation shall not bind the Company.
21

22 **7) Resale of Gas**

23 Gas taken by a Customer at a delivery point shall not be resold, except as permitted by
24 Law.
25

26 **8) Rates and Charges**

27 In connection with a contract for service, the Customer shall pay the Company at the rates
28 approved from time to time by the Board or other regulatory body having jurisdiction, and
29 shall pay any other charges validly in effect from time to time.
30

31 **9) The Public Utilities Board Act to Prevail**

32 The provisions of these Terms and Conditions of Service are subject at all times to all
33 applicable Federal, Provincial, and Municipal Legislation including The Public Utilities
34 Board Act (Manitoba) as amended from time to time, or such other legislation as may be
35 enacted in replacement thereof and any lawful Orders of the Board. In the event of any
36 conflict between the provisions of these Terms and Conditions, the provisions of the
37 aforesaid Legislation, or any lawful Order of the Board, the provisions of the said
38 Legislation or Order shall prevail.
39

40 **B) SERVICE CONNECTION AND CHARGES**

41 **1) Authority for Work**

42 No changes, extensions, replacements, repairs, connections, or disconnections to, of, or
43 from the Company's system shall be made except by the Company's duly authorized
44 employees, agents, or contractors.
45

46 **2) Installation Policy**

47 Subject to IV B) 3) hereof, where the Company's main is adjacent to the Customer
48 Premises, the Company will install, at no additional charge to the Customer, a service line
49 from the main to a meter location selected by the Company, except that where the distance
50

1 from the property-line crossed by the service line to the entry-point or meter exceeds forty-
2 six meters (150 feet), the Company may invoke and the Customer shall pay an excess
3 distance charge. The Company reserves the right to conduct a feasibility study on each
4 applicant or project and charge an applicable contribution in aid of construction for that
5 Customer and/or any and all Customers in a project, which contribution shall be paid (or
6 suitable arrangements made in lieu thereof to the satisfaction of the Company) prior to
7 commencement of construction.
8

9 **3) Right of Refusal to Install**

10 The Company may refuse to install a service line if, in the Company's opinion, such
11 installation is not reasonable and practical and would not furnish sufficient business to
12 justify the construction and maintenance thereof, and neither acceptance of an application
13 from nor any cash deposit from the Customer shall be construed as a commitment by the
14 Company to install any service line.
15

16 **4) Location of Service and Meter**

17 The Company will designate the location of the service lines, meters, and regulators, and
18 will determine the amount of space that must be left unobstructed for the installation and
19 maintenance of such equipment.
20

21 **5) Service Relocation and Alteration**

22 Where the Customer requests, or where the Customer's conduct requires, that the meter,
23 regulator and/or service line either enter the Premises at a point or follow a route different
24 from that chosen by the Company or alters the existing configuration, it must conform to
25 existing codes and regulations. The Company may charge and the Customer shall pay for
26 all extra costs incurred for the installation or alteration in accordance with the Customer's
27 request, or as made necessary by the Customer's conduct, provided that nothing herein
28 obligates the Company to make the requested or required changes.
29

30 **6) Meters Installed Within Premises**

31 If the Company has designated an inside meter location, the meter will be installed as
32 close to the service entry point as allowed by existing codes and regulations. Where the
33 Customer desires a meter location other than that chosen by the Company, it must
34 conform to existing codes and regulations, and the Customer will be charged the cost of
35 installing all piping in excess of the amount required by the Company's choice of location.
36 All piping, and other equipment if any, between the main and the meter remains the
37 property of the Company.
38

39 **7) Additional Meters Installed Within Premises**

40 Additional meters may be installed on request at the Customer's expense. The Company
41 reserves the right to refuse installation of additional meters where such installation is not
42 reasonably necessary for the Customer's purposes.
43

44 **8) Access to Property**

45 The Customer grants the Company full power, right, and liberty to enter the lands upon
46 which the Premises are situated to break the surface and make necessary excavations
47 for the purpose of locating, installing, repairing, replacing, maintaining, and inspecting all
48 facilities on the said lands. The Company shall do as little damage and cause as little
49 inconvenience as is reasonably possible in doing such work, and shall restore the property

1 as nearly as is reasonably practical, to its former state provided at all times that the
2 Company shall not be obligated to remove its pipelines or other equipment.
3

4 **9) Commencement of Use of Gas**

5 The Customer agrees to commence using gas on the Premises within six (6) months of
6 the date of installation of the facilities. Failing to so commence, after the sixth month the
7 Customer shall pay the Company's approved Basic Monthly Charge, or at the Company's
8 option, shall pay the full cost of the installation and removal of services.
9

10 **10) Timing of Installation**

11 The Company reserves the right to determine the timing of the installation of service when
12 by reason of weather, conditions of excavation, and/or other circumstances beyond its
13 control, it is deemed inadvisable to install facilities.
14

15 **11) Gratuities**

16 Employees of the Company are expressly forbidden to solicit or accept any gratuities from
17 the Customer.
18

19 **C) CONSUMER CONTRIBUTIONS IN AID OF CONSTRUCTION**

20 **1) Refundable Contributions**

21 Where the Company deems anticipated revenue from the Customer insufficient to justify
22 an extension of its distribution system, it may require the Customer to pay a contribution
23 in aid of construction of the extension. The contribution will be refunded after the end of
24 the fifth year under the following circumstances:
25
26
27

- 28 a) Full Refund: if, in the sole opinion of the Company, sufficient new Customers or loads
29 are attached to the extension to make it economically feasible, a full refund of the
30 original contribution will be made.
31
- 32 b) Partial Refund: if, in the sole opinion of the Company, new Customers or loads are
33 attached to the extension, but total anticipated revenue from the extension is
34 insufficient to prevent it from being a burden to the Company's other existing
35 Customers, the additional loads will be considered in re-evaluating the original
36 contribution and such re-evaluation may enable a refund to the original Customer to a
37 maximum of the original contribution. Any portion of the refundable contribution not
38 refunded at the end of five (5) years will become a non-refundable contribution.
39
- 40 c) Any refund that may be due to the Customer will first be applied to any outstanding
41 amounts due to the Company by the Customer. Any remaining balance will be
42 refunded to the Customer.
43

44 **2) Non-Refundable Contributions**

45 Where the Company deems that projected revenue from all potential added connections
46 will be inadequate to prevent an undue burden on existing Customers, it may require the
47 Customer to pay a non-refundable contribution in aid of construction of the extension.
48
49

1 **D) MEASUREMENT BILLING AND PAYMENT**

2
3 **1) Meters and Regulators**

4 The Company shall install on the Customer's Premises, at a point to be selected by the
5 Company, such meter(s), regulator(s), and/or other equipment as the Company deems
6 necessary, which shall be and remain the property of the Company.
7

8 **2) Testing Measurement Equipment**

9 a) In the event that the Customer requests under the Electricity and Gas Inspection Act
10 for the testing of the measurement equipment, and by such testing it is found that the
11 measurement equipment is recording within the allowable tolerances as specified in
12 the Regulations under the said Act, all previous readings shall be deemed to be correct
13 and the Customer shall pay to the Company its charge for testing and changing the
14 equipment. If the measurement equipment is found to be recording outside of
15 allowable tolerances, the cost of testing and changing the meter will be borne by the
16 Company and a correction in billing shall be made as set out in IV D) 4) hereof.
17

18 b) The accuracy of measuring equipment shall be verified by the Company at reasonable
19 intervals, but shall not be required more frequently than once in any thirty-day period.
20 In the event either party shall notify the other that it desires a special test of any
21 measuring equipment the parties shall co-operate to secure a prompt verification of
22 the accuracy of such equipment. The expense of any such special test shall be borne
23 by the requesting party if the equipment tested is found to be in error by not more than
24 2%.
25

26 c) If, upon test, any measuring equipment is found to be in error by not more than 2%,
27 then previous recordings of such equipment shall be considered accurate in computing
28 deliveries of gas. However, the equipment shall be adjusted at once to read as
29 accurately as possible.
30

31 d) If, for the period since the last preceding test, it is determined that any measuring
32 equipment is found to be inaccurate by an amount exceeding 2% for such period, then
33 the previous readings of measurement equipment shall be corrected for any period
34 during which the measuring equipment was known to be inaccurate. In such
35 situations, corrections for billing purposes shall be in accordance with section IV D) 4).
36

37 **3) Meter Reading**

38 Meters shall be read with such frequency as the Company may decide. The Company
39 shall have the right at any time to estimate Customer consumption and to render a bill
40 based upon such estimated consumption. Should the number of consecutive estimated
41 readings exceed five (5), the Company shall, subject to its ability to gain access to the
42 Customer's Premises, read the meter. Notwithstanding the foregoing, the Company may,
43 at its option, require the Customer to read the meter and report such reading in the manner
44 specified by the Company.
45
46

1 **4) Failure of Measurement Equipment to Register Properly**

2 If the measurement equipment ceases to register properly, the quantity of gas used will
3 be determined by the most appropriate method, as determined in the sole opinion of the
4 Company. Such methods may include but not be limited to:

- 5
6 a) mathematical calculations and comparisons including prevailing ratio with a parallel
7 meter,
8
9 b) the use of the Customer's check measuring equipment, and
10
11 c) the amount consumed during the corresponding period of the previous month(s) or
12 year(s), giving due consideration to the weather, processing, and connected load, or
13
14 d) if no such information exists, the Company's best estimate, having regard to the
15 circumstances.

16
17 A correction in billing shall be made for the period that the measurement equipment failed
18 to register properly, not exceeding two (2) years retroactive from the date of discovery.
19

20 **5) Billing**

21 a) **General:** Bills will be rendered monthly or by such other period as the Company may
22 determine and the Customer shall pay rendered accounts by the due date specified on
23 the bill. The Company shall assess, and the Customer shall pay, a late payment charge
24 as specified in the rate schedule on all accounts remaining unpaid after the due date. The
25 Company's records of the date of mailing or delivery of bills shall be conclusive evidence
26 of the date of rendering. For purposes of computing monthly bills, "month" shall mean a
27 billing period of approximately thirty (30) days. Bills computed for periods longer or shorter
28 than one month in this context shall be prorated, including fixed charges such as the Basic
29 Monthly Charge and the Monthly Demand Charge where applicable.
30

31 Where bills have been rendered, and it is subsequently determined that they have been
32 incorrectly calculated for reasons other than Failure of Measurement Equipment to
33 Register Properly, they shall be recalculated and submitted for payment by the Customer
34 or Refund by the Company. In such situations the recalculations may be retroactive for a
35 maximum period of six years. No penalty or interest shall be included on such rebilled
36 amounts during the retroactive period. Interest charges and/or late payment charges may
37 begin after the due date as specified on the bill when rendered for the corrected amounts.
38

39 b) **Application of Payments/Credits to Electricity and Gas Accounts and Other**
40 **Indebtedness:** Where a Customer pays less than the full balance due on an account
41 which is comprised of charges for the supply of natural gas and electricity including related
42 late payment charges and/or an amount for items other than gas or electricity services
43 and related late payment charges (the "Other Indebtedness"), or receives a credit on the
44 account, in the absence of a specific direction from the Customer, such payment/credit
45 shall be applied in the following order:

- 46 i. first to the oldest arrears. Where arrears are of equal vintage,
47 payments shall be applied pro rata to natural gas charges, including
48 related late payment charges, electricity charges, including related late
49 payment charges and to the Other Indebtedness, including related late

- 1 payment charges;
2 ii. where there are payments/credits in excess of the amount required to
3 pay the oldest arrears, payments/credits shall be next applied to the
4 next oldest arrears (pro rata in accordance with subparagraph (i) if there
5 is more than one service with arrears of equal vintage), and so on until
6 all arrears are paid;
7 iii. if there are no other arrears, to current charges, pro rata.
8
9

10 **6) Authorization to Disconnect Other Service and/or Install Load Limiting**
11 **Devices**

12 Where the Customer has an account comprised of charges for electricity and natural gas
13 service, or is the recipient of both electricity and natural gas service at the same address
14 but billed separately, the Customer authorizes the Company to request that Manitoba
15 Hydro disconnect the electric service or alternately install a load limiting device on the
16 electric service where the charges for natural gas service are in arrears and full payment
17 or payment arrangements suitable to the Company have not been made. The installation
18 and removal of the load limiting device and/or disconnection and reconnection of service
19 shall be undertaken in accordance with the procedures as defined in the Gas and
20 Combined Gas/Electric Services Disconnection and Reconnection Policy and Procedure
21 as approved from time to time upon Order of the Board.
22

23 **7) Guarantee Deposit**

24 Applicants for service may, at the option of the Company, be required to provide a
25 guarantee of payment in the form of a deposit, letter of credit, or other guarantee suitable
26 to the Company. The amount of such guarantee shall not normally exceed the total of
27 estimated billings to the Customer for the three (3) month period of maximum
28 consumption. Guarantee amounts may be assessed at the discretion of the Company.
29 The guarantee is security against any outstanding indebtedness of the Customer, and
30 may, at the Company's discretion, be held by the Company until the Customer
31 discontinues the use of gas at the Premises and the contract is terminated, or the
32 guarantee or part thereof may be applied from time to time against the outstanding
33 indebtedness of the Customer and any amount so applied shall forthwith be paid to the
34 Company by the Customer to replenish such guarantee. The amount of such guarantee
35 is not transferable or assignable.
36

37 If the guarantee is provided by way of a deposit, the Company shall annually credit interest
38 on the deposit at the Company's average short-term borrowing cost, as updated from time
39 to time.
40

41 The deposit shall cease to draw interest at the earliest of; the date it is returned to the
42 Customer, the date notice is sent to the Customer's last known address that the guarantee
43 is no longer required, the date the deposit is applied against the outstanding indebtedness
44 of the Customer, or the date when service is final billed.
45

46 In the event of termination of the contract between the Company and the Customer, such
47 deposit plus accrued interest, less any amount owed to the Company, will be refunded.

1
2
3 **8) Budget Billing Plan**

4 The Company may, at its discretion, permit the Customer to pay fixed monthly installments
5 on account of services and/or gas consumed or to be consumed by the Customer during
6 all or any part of a period.

7 The Company shall fix the amount of the monthly installments on the basis that the
8 installments to be paid shall total the sum which would be payable under the Company's
9 rate schedule for the amount of gas or services which the Company estimates would be
10 consumed on the Premises during the period in which the Customer is to pay such
11 installments (herein called, "the budget period").

12
13 The Customer may terminate the Budget Billing Plan at any time by giving seven (7) days'
14 prior notice of termination to the Company and the Company may terminate the Budget
15 Billing Plan at any time in the event that the Customer ceases to be a Customer, or if the
16 Customer has not maintained payment of installments to the Company's satisfaction.

17
18 Upon the expiration of the budget period or its earlier termination as referred to above, the
19 amount that would be payable to the Company by the Customer pursuant to the rate
20 schedule for gas actually consumed from the beginning of the budget period to its end or
21 earlier termination, shall be compared with the aggregate of the monthly installments
22 actually paid by the Customer during such time, and if the amount payable exceeds the
23 aggregate of the amounts actually paid, such excess shall be paid by the Customer to the
24 Company, or if the amount actually paid exceeds the amount payable, such excess shall
25 be paid or credited by the Company to the Customer.

26
27 The Company may, at any time, revise its estimate of a Customer's gas consumption, and
28 accordingly, may increase or decrease the amount of monthly installments payable by the
29 Customer. In addition, the monthly installments may be adjusted to reflect approved rate
30 changes.

31
32 **9) Returned Cheques**

33 When a Customer's cheque is returned by banks or other financial institutions for any
34 reason, a returned cheque charge will be assessed to the Customer. The amount of this
35 charge will be as determined from time to time by the Company, subject to Board approval.

36
37 **10) Taxes**

38 The rates and charges referred to in these Terms and Conditions do not include taxes or
39 other amounts which the Company may be required to collect from Customers.

40
41 **11) Late Payment Charge**

42 A late payment charge shall be charged on the dollar amount owing after each billing due
43 date. The due date will be at least 14 days after the mailing of the bills.

44
45 **12) Measurements**

46 The volume and gross heating value of gas shall be determined as follows:

- 47
48 a) **Unit of Gas:** The unit of gas sold to or transported for the Customer shall be a volume
49 of gas measured according to Boyle's Law for the measurement of gas under varying
50 pressures and on the measurement basis set out in paragraph b) below. Where

1 appropriate, proper corrections shall be made for the specific gravity and flowing
2 temperatures of the gas and for deviation from Boyle's Law as provided in paragraph
3 b) below.
4

- 5 b) **Determination of Volume**, for the purpose of measurement, the unit of volume shall
6 be one Cubic Meter of gas at a temperature of 15.56 degrees Celsius and at a pressure
7 of 101.560 kilopascals absolute. For the purpose of measurement of gas delivered by
8 the Company the average absolute atmospheric (barometric) pressure at such
9 delivery points shall be assumed to be constant during the term thereof, regardless of
10 variations in actual barometric pressure from time to time, and shall be assumed to be
11 the following for each delivery point within the applicable Manitoba Sales Districts and
12 Zones (see Section I: Territory Served):
13

<u>Zone</u>	<u>Average Absolute Atmospheric (Barometric) Pressure (PSIA)</u>
1	14.30
2	14.18
3	14.05
4	13.87
5	13.69

- 14
15
16 c) **The gross heating value** of the gas per Cubic Meter at any delivery point shall be as
17 determined by TransCanada PipeLines Limited ("TCPL").
18
19 d) **The flowing temperature** of the gas shall be, in the case of non-orifice measurement
20 devices, in accordance with the recommendation of the equipment's manufacturer.
21 Integrating devices for automatically correcting volumes for flowing temperature may
22 be used as the Company deems necessary.
23
24 e) **The specific gravity** of the gas delivered shall be as determined by TCPL.
25
26 f) **When gas is measured** by means of an orifice meter or meters, the factor for
27 correction for deviation from Boyle's Law shall be computed in accordance with the
28 American Gas Association's Tables published for that purpose together with
29 amendments and supplements, using the daily arithmetic averages of temperatures,
30 pressure, specific gravity, and a representative gas analysis as required by the tables.
31 When gas is measured by means other than an orifice meter, the factor for correction
32 for deviation from Boyle's Law shall be the square of the factor determined by following
33 the above described method for use with orifice meters.
34

1 **13) Determination of Monthly Billing Demand**

2 The Monthly Billing Demand that will be used to calculate the Customer's Monthly Demand
3 Charge shall be determined as follows:
4

- 5 a) **Monthly Billing Demand** will be the highest daily consumption, subject to sections
6 V G) 3), V H) 7), VI D) 4), and VI E) 7), measured in Cubic Meters on any given day of
7 the month, provided the month is a Winter Month, or in any Winter Month of the
8 preceding eleven months. For Customers without twelve months of demand billing
9 data, the Monthly Billing Demand may be estimated or otherwise specified by the
10 Company.
11
- 12 b) **Exception:** During the months of November and March, the Company may (at its sole
13 discretion) authorize certain Customers to use gas without invoking a higher Monthly
14 Billing Demand. This flexibility will be available only to those Customers who do not
15 regularly require significant volumes of gas in the Winter season, but whose non-winter
16 requirements may extend into the Winter season for a short duration either at the start
17 or at the end of the Winter season. Such flexibility may be provided at the sole
18 discretion of the Company.
19

20 **E) OTHER SERVICES**

21 The Company may provide the following services:
22

- 23 a) Locate and mark at no direct charge, all Company owned underground plants on
24 request to facilitate excavation or other construction.
25
- 26 b) Respond, at no charge, on a 24-hour emergency basis to reports of, explosion, fire,
27 gas odour, leaks, fumes, over-pressure, overheating of natural gas space heating
28 equipment or damaged plant, or any other service which, in the Company's opinion, is
29 required for the maintenance and security of Company equipment.
30
- 31 c) Provide safety inspections, safety related adjustments and/or repairs to the natural gas
32 burning portion of stoves, ranges, and all primary space and water heating residential
33 and commercial appliances under 400,000 Btu/h (422 MJ/h). This includes, but is not
34 limited to, repair of minor gas leaks, and the adjustment and replacement of controls
35 and control parts. The Small General Class Customer will be responsible for the cost
36 of parts. All other Customers will be responsible for the cost of parts and labour.
37
- 38 d) Service to commercial or industrial equipment over 400,000 Btu/h (422 MJ/h) will not
39 normally be undertaken. The Company will respond, however, to commercial
40 emergencies where business might be adversely affected by prolonged interruption of
41 service. The Customer will be responsible for the cost of parts and labour.
42
- 43 e) Provide customers or customers' agents with basic billing. Routine queries for which
44 a response can be developed with the commitment of 30 minutes or less of staff time
45 will be addressed at no charge. For more complex inquiries, which require more than
46 30 minutes staff time, the customer will be responsible for the cost of labour, which will
47 be billed at the approved Company Labour Rate (see Section XI, Company Labour
48 Rate).

1
2 All "Other Services" provided by the Company to the Customer shall be charged to the
3 Customer at rates in effect from time to time.
4

5 **F) EQUIPMENT**
6

7 **1) Ownership of Equipment**

8 The title to and ownership of all service lines, meters, regulators, attachments, and other
9 Company equipment placed on the Customer's Premises shall remain in the Company,
10 with right of removal, and no charge shall be made by the Customer for use of Premises
11 occupied thereby. This paragraph shall not apply to equipment sold directly to the
12 Customer by the Company.
13

14 **2) Measuring Station**

15 The Company will install, maintain, and operate, at or near each delivery point, a
16 measuring station properly equipped with a meter or meters and other necessary
17 equipment for properly measuring the gas delivered.
18

19 Positive displacement and turbine meters together with auxiliary equipment shall be of a
20 type approved for use by the Department of Consumer and Corporate Affairs, Standards
21 Branch, pursuant to the Electricity and Gas Inspection Act (Canada). When positive
22 displacement and turbine meters are used they shall be equipped with a counting device
23 for indicating the actual volume of gas passing through the meter. A device for integrating
24 the product of the volume of gas measured multiplied by the pressure and temperature
25 corrections and indicating the volume of gas delivered may be used. If an integrating
26 device is used, correction for the deviation from Boyle's Law may be built into the device;
27 otherwise such correction shall be applied to the volume of gas indicated at the Company's
28 sole discretion.
29

30 The Customer may install, maintain, and operate, at its own expense, such check
31 measuring, pressure, or volume control equipment as desired, provided that such
32 equipment shall be installed and/or operated so as not to interfere with the operation of
33 the Company's equipment.
34

35 **3) Rights of Parties**

36 The measuring equipment so installed by either party together with any building erected
37 by it for such equipment, shall be and remain its property. However, the Company and
38 the Customer shall have the right to have a representative present at the time of any
39 installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or
40 adjusting done in connection with the other's equipment. The records from such
41 equipment shall remain the property of their owner, but upon request each will submit to
42 the other its records and charts, together with calculations therefrom, for inspection and
43 verification, subject to return within ten days after receipt thereof.
44

45 **4) Care Required**

46 All installation of equipment applying to or affecting deliveries of gas shall be made in such
47 manner as to permit an accurate determination of the quantity of gas delivered and ready
48 verification of the accuracy of measurement. Care shall be exercised by both parties in
49 the installation, maintenance, and operation of equipment so as to prevent any inaccuracy
50 in the determination of the volume of gas delivered.

1
2 **5) Preservation of Metering Records**

3 The Company, and where the Customer has installed check equipment, the Customer,
4 shall each preserve for a period of at least six years all test data, charts, and other similar
5 records. Microfilms of the original documents shall be considered true records.
6

7 **6) Protection of Company -Owned Equipment on Customer's Premises**

8 a) Maintenance of service lines, meters, and regulators or any other Company-owned
9 equipment shall be the responsibility of the Company. The Customer shall be
10 responsible for all damage to equipment on the Premises except for deterioration from
11 normal usage.
12

13 b) If the Customer undertakes to renovate, reconstruct, or modify the Premises in such a
14 way as to render Company equipment non-compliant with any existing codes or
15 regulations, the Company will make any corrections necessary to its equipment so that
16 it conforms to the said codes and regulations and the Customer shall be responsible
17 for the cost of such corrections.
18

19 **7) Moving Meters**

20 The Company may charge the Customer the cost of moving a meter from one location to
21 another in the event such move is made at the request of the Customer.
22

23 **8) Access to Premises**

24 In cases of perceived emergency, or for reasons of safety, or if the premises are
25 uninhabited, the Company is authorized to enter upon the Premises in the absence of the
26 Customer and is authorized to use such force as may be necessary to obtain access to
27 its equipment for inspection, disconnection, and repair. All such instances shall be
28 reported to the local police authorities immediately by the Company.
29

30 **9) Termination of Service**

31 If the supply of gas is terminated for any reason, the Company may, but shall not be
32 obligated to, remove any or all Company owned equipment. Where the equipment is not
33 removed, the Company shall effectively seal it off in compliance with applicable codes,
34 regulations, and industry practices.
35

36 **10) Rental Equipment**

37 The title to all equipment supplied by the Company under a Rental Agreement and placed
38 on the Customer's Premises shall remain with the Company with right of removal, and no
39 charge shall be made by the Customer for use of Premises occupied thereby.
40

41 **G) DISCONTINUANCE OF SERVICE**

42 **1) Requirement of Notice**

43 If the Customer desires to discontinue the use of gas or to move from the Premises or in
44 any way to terminate the contract, the Customer shall notify the Company of such intention
45 and provide the Company with reasonable notice of discontinuance.
46

47 **2) Reasons for Discontinuance**
48

1 The Company reserves the right to temporarily or permanently discontinue the supply of
2 and/or delivery of gas and/or to remove its property from the Customer's Premises, for
3 any of the following reasons:
4

- 5 a) Failure, temporary or permanent, of the availability of gas;
- 6
- 7 b) Necessary repairs on any point on its system;
- 8
- 9 c) Non-payment by the Customer of any indebtedness to the Company when due;
- 10
- 11 d) Failure of the Customer to pay any guarantee deposit or increase thereof forthwith on
12 demand;
- 13
- 14 e) Bankruptcy or insolvency of the Customer;
- 15
- 16 f) Use by the Customer of defective pipe, appliances, gas fittings, or installations
17 contravening prescribed codes and regulations, or the demand by the Customer for
18 the supplying of gas in such a manner as may, in the Company's opinion, be likely to
19 lead to a dangerous situation;
- 20
- 21 g) Use of gas contrary to the terms of these Terms and Conditions or to any explicit
22 Contract made with the Customer;
- 23
- 24 h) Misrepresentation by the Customer in relation to the use of gas or the amount
25 consumed;
- 26
- 27 i) Moving of Customer from the Premises;
- 28
- 29 j) Inability of the Company to gain admittance to the Premises to replace the meter as
30 required, or read the meter for a period of six (6) consecutive months;
- 31
- 32 k) Termination in any manner of the contract of service;
- 33
- 34 l) Discontinuance of the use of gas on the Premises;
- 35
- 36 m) Fire, flood, explosion, or other emergency in order to safeguard persons or property
37 against the possibility of injury or damage;
- 38
- 39 n) Theft of Company property, services, and/or gas.
- 40

41 **3) Reconnect Fees**

1 On each occasion when gas service is discontinued at the Customer's request or as a
2 result of failure of the Customer to comply with these Terms and Conditions, and the
3 Customer subsequently requests that service be resumed to the Customer at the same
4 Premises, a reconnect fee may be charged in addition to the Customers Basic Monthly
5 Charge (if applicable) and Monthly Demand Charge (if applicable) for the period of
6 discontinued service. In the event that the meter and regulating equipment and/or service
7 line are removed and replaced on the same Premises within five years of removal, the
8 Company may charge a fee for resetting the meter, regulator and installation of the service
9 line. Until such charges, together with any other indebtedness of the Customer to the
10 Company are paid, the Company may, at its discretion, refuse to reconnect the service or
11 to supply gas.
12

13 **H) RULES FOR TRANSFER OF CUSTOMERS BETWEEN CLASSES OR SERVICES**

14 The following rules shall apply with respect to any customer that may elect to make an
15 eligible change between customer classes or between service offerings.
16

17 **1) Transfers Between Sales and Transportation Service**

18 Customers that are currently receiving Sales Service and that wish to contract for
19 Transportation Service must make a written request to the Company. All requests for
20 such transfer of Service must be made no later than March 15 in any given year. The
21 Customer must execute a Transportation Service agreement with the Company no later
22 than June 30 of the same year. All transfers between Sales and Transportation Services
23 shall become effective no later than November 1 of each year.
24

25 **2) Transfers Between Transportation and Sales Service**

26 Customers that are currently receiving Transportation Service and that wish to contract
27 for Sales Service must make a written request to the Company. All requests for such
28 transfer of Service must be made no later than March 15 in any given year. The Customer
29 must execute an agreement with the Company no later than June 30 of the same year.
30 All transfers between Transportation Service and Sales Service shall become effective no
31 later than November 1 of each year.
32

33 **3) Transfers Between Interruptible Class and Firm Service Classes**

34 Customers that are currently receiving Interruptible Service and that wish to be provided
35 Firm Service must make a written request to the Company. All requests for such transfer
36 of Service must be made no later than March 15 in any given year. The Customer must
37 execute an agreement with the Company no later than June 30 of the same year. All
38 transfers between Interruptible Service and the applicable Firm Service customer class
39 shall become effective no later than November 1 of each year.
40

41 **I) RESPONSIBILITY OF PARTIES**

42
43 **1) Transfer of Risk, Title, and Possession**

44 With the exception of Customer owned gas, title to the gas and all risk in respect thereto
45 shall remain with the Company until the gas is delivered to the Customer at the Delivery
46 Point, at which point title and risk shall pass to the Customer. The Company shall have
47 the right to commingle gas delivered to it by or for a Customer with gas owned by the
48 Company or others.
49

50 **2) Damages to Equipment**

1 The Customer shall be responsible for all damage to Company property on the Premises
2 and agrees to notify the Company immediately of any damage occurring thereto, and shall
3 pay the cost of any repairs to such Company property except where such damage or cost
4 of repairs is attributable to normal usage.
5

6 **3) Force Majeure**

7 Notwithstanding any other term or condition contained within the Company's Schedule of
8 Sales and Transportation Services and Rates or contracts for service, neither party shall
9 be liable to the other for failure to carry out its obligations hereunder when such failure is
10 caused by force majeure as hereunder defined. The term "force majeure" means civil
11 disturbances, industrial disturbances (including strikes and lockouts), arrests and
12 restraints of rulers or people, interruptions by government or court orders, present or future
13 valid orders of any regulatory body having proper jurisdiction, acts of the public enemy,
14 wars, riots, blockades, insurrections, failure or inability to secure materials, permits, or
15 labour by reason of priority regulations or orders of government, serious epidemics,
16 landslides, lightning, earthquakes, fires, storms, flood washouts, explosions, breakage or
17 accident to machinery or lines of pipes or pipelines, temporary failure of gas supply, an
18 act or omission (including failure to deliver gas) of a supplier of gas to the Company, or
19 any other causes or circumstances to the extent that such cause or circumstance was
20 beyond the control of and occurred without negligence on the part of the party prevented
21 from carrying out its obligations by the act of force majeure.
22

23 Any causes or contingencies which entitle a party to claim force majeure shall not relieve
24 it from liability in the event of its concurring negligence, or in the event of its failure to use
25 due diligence to remedy the situation or remove the cause in an adequate manner and
26 with all reasonable dispatch, nor shall such causes and contingencies affecting the
27 performance of the obligations hereunder relieve either party from the obligations to make
28 payments of amounts then due or thereafter accruing due hereunder. It is understood and
29 agreed that the settlement of strikes and lockouts shall be entirely within the discretion of
30 the party affected.
31

32 Provided always however, that when the Customers consumption or ability to consume is
33 not affected, the Customer shall not be entitled to rely upon the aforesaid Force Majeure
34 provisions.
35

36 **4) Waste of Gas**

37 The Customer shall use due care to prevent any waste of gas and will immediately notify
38 the Company in case of failure or deficiency of supply or leakage of gas.
39

40 **J) CONSUMER EQUIPMENT**

41 **1) Description of Installation**

42 In those cases where the Company deems it necessary, the Customer shall present, in
43 writing, complete specifications of equipment, loads, location plans, piping, regulators, and
44 other data required.
45

46 **2) Customer's Equipment**

47 Gas piping, fixtures, and appliances on the Customer's Premises must be installed at the
48 expense of the Customer or owner of the property.
49
50

1
2
3
4
5

The Company may delay the construction of an extension and/or service until the Customer has completed the piping and installation of equipment necessary to receive and use service.

1 **V. SPECIAL TERMS AND CONDITIONS: TRANSPORTATION SERVICE (T-SERVICE)**
2

3 A) A Transportation Service agreement setting out Customer specific information shall be
4 established between the Company and the Customer for Transportation Service under the
5 High Volume Firm Class, Mainline Class, or Interruptible Class, having a minimum term
6 of one year. The agreement shall remain in effect for successive periods of one year,
7 unless written notice of termination is given by either party to the other at least 90 days
8 prior to the expiration of the agreement or any renewal thereof.
9

10 B) Subject to the conditions set out in subsection V. A) hereof, High Volume Firm Class,
11 Mainline Class, or Interruptible Class customers may elect to receive Transportation
12 Service where the customer's daily nomination equals or exceeds 200 GJ under normal
13 operating conditions, excluding shut-downs for routine maintenance activities and
14 holidays.
15

16 C) The T-Service Customer shall deliver to the Company at the designated Receipt Point(s)
17 and the Company shall receive from the T-Service Customer and transport a volume of
18 gas, as determined in accordance with subsection D) hereof, from said Receipt Point(s)
19 to the designated Delivery Point(s).
20

21 D) The volume of gas delivered by the T-Service Customer and received and transported by
22 the Company shall, on each day, equal the quantity of gas consumed by the Customer at
23 its facility on such day as determined by the Company's measuring stations located at or
24 near the Delivery Point, less the volume of Backstop Gas (if any) sold to the Customer by
25 the Company on such day pursuant to subsection G) hereof.
26

27 E) The Company shall not be obligated to transport, in any one day, any gas in excess of the
28 Daily Contract Demand designated for delivery to each designated Delivery Point for each
29 type of service.
30

31 F) The T-Service Customer shall pay for all gas delivered by the T-Service Customer and
32 received and transported by the Company at the T-Service Rates approved from time to
33 time by the Board.
34

35 G) In the event that a T-Service Customer fails or anticipates failure to deliver the necessary
36 volume of gas to the designated Receipt Point:
37

38 1) The T-Service Customer shall promptly notify the Company if the Customer has
39 reason to believe that deliveries of gas by or for the Customer to the Company at the
40 Receipt Point(s) will be impaired in whole or in part. At such time, the Customer shall
41 indicate whether it will require gas from the Company and the volume required during
42 such period of impairment. If the Company is unable to provide Backstop Gas as
43 requested by the Customer, the Customer shall be obligated to restrict its
44 consumption to the volume of gas it can deliver into the system.
45

46 2) On any day when, as a result of impairment, the T-Service Customer requires gas
47 from the Company, the Company may, subject to availability of supply, sell to the
48 Customer such quantity of Backstop Gas as is agreed between the parties, and the
49 Customer shall pay for any Backstop Gas the greater of:

- 1
2 a) its pro-rata share of the total cost of Backstop gas purchased on behalf of T-
3 Service customers by the Company, including all costs associated with purchasing
4 and having that supply delivered to the Receipt Point. These charges are in
5 addition to the normal T-Service Volumetric Charges; or
6
7 b) the equivalent Sales Service Volumetric Rate.
8

9 On such day, the Backstop Gas shall be deemed to be the first volumes delivered to
10 the Customer.
11

- 12 3) Volumes delivered to the Customer as Backstop Gas shall be included in the
13 determination of the Monthly Billing Demand.
14

15 H) The provisions of this paragraph shall only be applicable if service hereunder is pursuant
16 to one of the Company's Interruptible Transportation services.
17

- 18 1) The Company may, at its sole option, on notice to the T-Service Customer, curtail or
19 discontinue service hereunder down to the level of Firm Transportation Service (if any)
20 to which the T-Service Customer is entitled. Upon receipt of notice by the Company,
21 the Customer shall curtail its consumption of gas to the extent requested by the
22 Company within two (2) hours of receipt of notice.
23

- 24 2) In recognition of the curtailable nature of Interruptible Service the Customer agrees, at
25 their sole expense, to:
26

27 a) Install, maintain and have ready to operate at all times a stand-by fuel source of
28 sufficient size and capacity to satisfactorily replace the natural gas energy supply
29 furnished by the Company, and to,
30

31 b) Ensure that sufficient supplies of stand-by fuel are available at all times, and that
32 the Customer has sufficient personnel resources available to operate the stand-by
33 fuel system at any time upon notice from the Company, and to,
34

35 c) Utilize the stand-by fuel source in the event that the Company gives notice to the
36 Customer of a curtailment of service.
37

- 38 3) In recognition of the Customer's service as Interruptible Transportation Service
39 furnished by the Company hereunder, the Company shall not be liable for damages to
40 person or property resulting from curtailment of service, or the Customer's failure to
41 provide adequate stand-by equipment and fuel, or to use such equipment properly and
42 sufficiently.
43

- 44 4) In the event that the T-Service Customer fails to comply with any such notice of
45 curtailment, then the Company may at its option:
46

47 a) Physically discontinue Transportation Service hereunder during any period of
48 curtailment; and/or

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- b) Charge and collect from the Customer for all gas received and transported hereunder during any such period at the Unauthorized Over-Run Delivery Charge, or such lesser amount per m³ as the Company, in its sole discretion, may decide upon; and/or
 - c) Charge and collect from the Customer the Firm T-Service Delivery rates for a 12 month period subsequent to the failure to interrupt. This provision shall not relieve the Customer from continuing to operate as, and meet all of the obligations of, an Interruptible Customer during this 12 month period. Continued failure to abide by the terms of Interruptible Service shall entitle the Company to return the Customer to Firm Transportation Service on a permanent basis.
- 5) The Company shall have the further right to curtail the transportation of gas hereunder without notice and without any liability whatsoever for any resultant damage to the Customer for any one or more of the following reasons:
- a) Repairs to its distribution system; or
 - b) Transportation of gas being prevented or interrupted for any cause reasonably beyond the control of the Company; or
 - c) For breach by the Customer of any of the terms and conditions hereof.
- 6) With respect to each Delivery Point(s), the T-Service Customer shall be subject to a monthly bill equal to the Basic Monthly Charge, the applicable Monthly Demand Charge, and Volumetric Charges for volumes delivered.
- 7) Volumes taken by the Customer in contravention of curtailment notice shall be included in the determination of the Monthly Billing Demand.
- I) Where the T-Service Customer is entitled to both Firm and Interruptible Transportation Service to a particular Delivery Point, the volume of gas transported by the Company to such Delivery Point on any day shall be deemed to be transported firstly under Firm Service up to the level of Firm Daily Contract Demand, and secondly under Interruptible Service; provided, however, that if on any day, the Customer's Interruptible Service is curtailed, the gas under Firm Service shall be deemed to have been transported, up to the time of curtailment, at an even hourly flow at a rate equal to the Firm Daily Contract Demand, divided by 24.
- J) The T-Service Customer shall notify the Company no later than 2:00 p.m. CCT on the day prior to delivery (except during periods when the Customer has advised the Company that no transportation service is required) of:
- 1) The Customer's forecasted gas consumption and the Customer's Nominated Volume on the TCPL Mainline for the following day.
- Such Nominated Volume and forecasted consumption shall be deemed to remain in effect from day to day unless changed by the Customer and notice of such change is given to the Company at subsequent intraday nomination windows.. If on any day in the event that

1 the T-Service Customer's actual gas consumption for that day is to deviate from the
2 forecasted gas consumption and Nominated Volume identified in J) 1. above the Customer
3 shall notify the Company at the earliest opportunity of any such deviation, and the T-
4 Service Customer shall make reasonable efforts to make the necessary forecast and
5 nomination adjustments required with TCPL and the Company.
6

7 K) The T-Service Customer shall provide notice to the Company advising of the particulars
8 of any authorized agent at law it has appointed to carry forth its obligations pursuant to
9 the Transportation Service agreement identified in sub-section A.) hereof. Until further
10 notice is provided by the T-Service Customer to the Company advising of any change to
11 or termination of such agency appointment, the Company shall be entitled to rely upon
12 any act or thing done, or document executed by the authorized agent pursuant to the
13 Transportation Service agreement in the same manner and as though such act or thing
14 had been done, or such document has been executed by the T-Service Customer. The
15 T-Service Customer shall indemnify and hold the Company harmless against any and all
16 claims relating to, arising out of or resulting from the actions of the authorized agent
17 pursuant to the Transportation Service agreement.
18

19 L) In the event that a Sales Service Customer elects to become a T-Service Customer, the
20 Customer will indemnify and save the Company harmless against any costs incurred by
21 the Company upstream of the Receipt Point for which the Company is unable to obtain
22 relief. The Company reserves the right to determine the level of capacity that may be
23 released to the Customer or his agent.
24

25 M) The T-Service Customer hereby releases the Company from the Company's obligation to
26 supply gas (except in accordance herewith) to the Customer for so long as the
27 Transportation Service Agreement remains in force. If the Customer wishes to
28 recommence purchasing gas from the Company, the Customer acknowledges and agrees
29 that it will be treated in the same manner as a new Customer applying for Sales Service
30 and will be subject to the provisions in Section IV. H) 2. hereof regarding requests for
31 transfer from Transportation Service to Sales Service.
32

33 N) If the T- Service Customer or its authorized agent causes delivery imbalances relating to
34 the delivery of gas to the Company's distribution system, the Company may impose
35 balancing fees on the Customer. Further detail on the T-Service balancing fee structure
36 and tolerances are set out in Appendix C, attached.
37
38

1 **VI. SPECIAL TERMS AND CONDITIONS: INTERRUPTIBLE SALES SERVICE AND INTERRUPTIBLE**
2 **DELIVERY SERVICE**

3 The provisions of this Section VI pertains to Interruptible Sales Customers (taking
4 corresponding Interruptible Delivery Service) and Mainline Customers electing
5 Interruptible Sales (in conjunction with Firm Delivery Service) provided by the Company.
6

7 A) A contract setting out Customer specific information shall be established between the
8 Company and the Customer having a minimum term of one year. The agreement shall
9 remain in effect for successive periods of one year, unless written notice of termination is
10 given by either party to the other at least 90 days prior to the expiration of the agreement
11 or any renewal thereof.
12

13 B) In recognition of the curtailable nature of Interruptible Service the Customer agrees, at
14 their sole expense, to:

15
16 1) Install, maintain and have ready to operate at all times a stand-by fuel source of
17 sufficient size and capacity to satisfactorily replace the natural gas energy supply
18 furnished by the Company; and to,
19

20 2) Ensure that sufficient supplies of stand-by fuel are available at all times, and that the
21 Customer has sufficient personnel resources available to operate the stand-by fuel
22 system at any time upon notice from the Company; and to,
23

24 3) Utilize the stand-by fuel source in the event that the Company gives notice to the
25 Customer of a curtailment of service.
26

27 C) Subject to subsection VI D) hereof, the Company shall sell and deliver to the Customer
28 and the Customer shall purchase from the Company at the Delivery Point, natural gas for
29 consumption by the Customer at its premises; provided that the Company shall not be
30 obligated to sell or deliver to the Customer, on any one day, any gas in excess of the
31 Interruptible Daily Contract Demand as specified in a separate agreement, or in any one
32 hour, any gas in excess of the Maximum Hourly Flow.
33

34 D) In the event that the Company determines, in its sole discretion, that it cannot provide
35 Interruptible Sales Service from its available supplies, the following provisions will apply:
36

37 1) If, prior to the commencement of any day or at any time during any day, the Company
38 reasonably believes that it will, on that day, be curtailing Interruptible Sales and/or
39 offering Alternate Supply gas at a price higher than the Base Rate for Supplemental
40 Gas to Interruptible Customers, it shall notify the Customer to this effect and of the
41 sale price of such Alternate Supply gas. The Customer may elect to purchase Alternate
42 Supply gas on that day or decline service for that day, or portion thereof, and the
43 Customer shall promptly notify the Company of its decision. If the Customer declines
44 service for that day or portion thereof it shall cease consuming gas on such day or
45 portion thereof.
46

47 2) If the Company is able to offer Alternate Supply gas to the Interruptible Customer at a
48 price that is equal to or less than the Base Rate for Supplemental Gas to Interruptible
49 Customers, the Company may provide Alternate Supply service without notice to the

1 Interruptible Customer, and the Customer shall pay the sale price of that gas supply
2 plus the Alternate Supply Service Delivery Rate.

3
4 3) If, on any day, the Customer elects to purchase the Alternate Supply gas, the
5 Customer shall pay the sale price of that gas supply plus the Alternate Supply Service
6 Delivery Rate.

7
8 4) If, on any day, the Customer elects to purchase Alternate Supply the volumes
9 delivered on that day shall not be included in the determination of the Monthly Billing
10 Demand.

11
12 5) If, on any day, the Company is providing Alternate Supply Service and the Customer,
13 having declined such service, continues to consume gas on that day, the Customer
14 shall be subject to section E) 3) below.

15
16 E) The following provisions shall apply to the interruption of service under these Services:

17
18 1) The Company may, at its sole option, on notice to the Customer, curtail or discontinue
19 service hereunder down to the level of firm service to which the Customer is entitled
20 (if any). Such notice shall be made by telephone, electronic or other communication
21 device, or in person, and the Customer shall curtail its consumption of gas to the extent
22 requested by the Company within two (2) hours of the Company's issuance of the
23 notice;

24
25 2) In recognition of the Customer's service as Interruptible Service furnished by the
26 Company hereunder, the Company shall not be liable for damages to person or
27 property resulting from curtailment of service, or the Customer's failure to provide
28 adequate stand-by equipment and fuel, or to use such equipment properly and
29 sufficiently;

30
31 3) In the event that the Customer shall fail to comply with any such notice of curtailment,
32 then the Company may, at its option:

33
34 a) Physically discontinue service hereunder during such period of curtailment; or,

35
36 b) Charge and collect from the Customer for all Unauthorized Over-Run Gas
37 delivered to the Customer during any such period at the Unauthorized Over-Run
38 Gas Charge and/or Unauthorized Over-Run Delivery Charge, or such lesser
39 amount per m³ as the Company, in its sole discretion, may decide;

40
41 c) Charge and collect from the Interruptible Customer the High Volume Firm Service
42 rates or other Firm Service rates as decided by the Company, for a 12 month
43 period subsequent to the failure to interrupt. This provision shall not relieve the
44 Customer from continuing to operate as, and meet all of the obligations of, an
45 Interruptible Customer during this 12 month period;

46
47 d) Continued failure to abide by the terms of Interruptible Service shall entitle the
48 Company to reclassify the Customer to Firm Sales Service on a permanent basis;

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- e) Return the Customer to Firm Service on a permanent basis if in the sole discretion of the Company, the Customer does not provide evidence and proof of the installation, maintenance and/or capability to reliably provide a stand-by fuel source sufficient to satisfactorily replace the natural gas energy supply provided by the Company. The Company reserves the right to make such a determination and to advise the Customer of the effective date of any such return to Firm Service.
- 4) The Company shall have the further right, without notice to the Customer, to curtail service hereunder for any of the following reasons:
 - a) For repairs to its distribution system;
 - b) By reason of service hereunder being prevented or interrupted for any cause reasonably beyond the control of the Company; or
 - c) For breach by the Customer of any of the terms and conditions hereof;
- 5) With respect to each delivery point, the Customer shall pay a monthly bill equal to the Basic Monthly Charge, the applicable Monthly Demand Charge, and Volumetric Charges for any and all volumes delivered;
- 6) The Company shall not be liable for damages, costs, loss or expense, whether direct, consequential, or otherwise, to person or property, resulting from curtailment of service hereunder or the Customer's failure to provide adequate stand-by equipment and/or fuel, or to use such equipment properly and sufficiently.
- 7) Volumes taken by the Customer in contravention of curtailment shall be included in the determination of the Monthly Billing Demand.
- F) The provisions of these "Special Terms and Conditions" may be superseded by any requirements contained in the Interruptible Service Contract as required in paragraph A) herein.
- G) Where the Customer is entitled to both Firm and Interruptible Sales and/or Delivery Service hereunder to a particular Delivery Point, the volume of gas transported by the Company to such Delivery Point on any day shall be deemed to be transported firstly under Firm Service up to the level of Firm Daily Contract Demand as specified in a separate agreement, and secondly under Interruptible Service; provided, however, that if on any day, the Customer's Interruptible Service is curtailed, the gas under Firm Service shall be deemed to have been transported, up to the time of curtailment, at an even hourly flow at a rate equal to the Firm Daily Contract Demand, divided by 24.

1 **VII. SPECIAL TERMS AND CONDITIONS: WESTERN TRANSPORTATION SERVICE**
2

3 A) Western Transportation Service provides for the transportation, storage, transmission,
4 and distribution as appropriate, of Customer-owned Primary Gas from the Alberta border
5 to the Customer's premises. The Company provides mandatory Supplemental Gas in
6 conjunction with this service.
7

8 B) An executed Western Transportation Service Agreement is required to take this service.
9 Customers in all classes are eligible for this service.

10
11 1) The Customer must be represented by a Broker authorized by the Board to sell natural
12 gas.
13

14 2) The Customer must sign an Agency Agreement to be represented by that Broker. The
15 Agency Agreement must, at a minimum, appoint the Broker as the Customer's sole
16 and exclusive Agent to contract for the Customer's Primary Gas Supply, authorize the
17 Broker to execute an Agreement for Western Transportation Service on behalf of the
18 Customer, and where ABC Service is desired, authorize the Broker to execute an
19 Agency Billing & Collection Agreement with the Company on behalf of the Customer.
20 In the event that a Customer has signed multiple Agency Agreements with different
21 Brokers, the Company shall accept the Broker firstly appointed by the Customer.
22

23 3) The Broker must sign and execute an Agreement for Western Transportation Service
24 on behalf of the Customer and on its own behalf.
25

26 4) In the event that the Broker does not maintain Standard & Poor's BBB grade credit
27 rating (or its equivalent of B++ or Baa) or better, ABC Service is mandatory.
28

29 5) Customers that wish to act as their own Broker must have estimated annual
30 consumption of equal to or greater than 680,000 m³ and must be authorized by the
31 Board.
32

33 C) Participation in Western Transportation Service will commence on the first day of each
34 calendar month.
35

36 1) Brokers will submit enrollment applications on behalf of Customers. The Company
37 will notify the Broker if a Customer enrollment application is unacceptable to the
38 Company.
39

40 2) Enrollment applications must be submitted using a format acceptable to the Company,
41 acting reasonably. Enrollment applications must include a field that clearly identifies
42 the date that each Customer executed their respective Agency Agreements with the
43 Broker.
44

45 3) The Company reserves the right to accumulate enrollment applications in such a
46 manner as to efficiently process and administer the enrollment of customers onto this
47 service. In the event that the Company elects to accumulate multiple applications from
48 a Broker, it shall process those applications no less frequently than once each week.

- 1 4) Brokers may submit enrollment applications no earlier than 75 days prior to the
2 requested date for commencement of service.
3
- 4 5) Enrollment applications must be received by the Company no less than 45 days prior
5 to the requested date for commencement of service.
6
- 7 6) A Customer's participation in Western Transportation Service with one Broker must be
8 terminated by that Broker before the Customer can participate in that Service with a
9 different Broker.
10
- 11 7) The Company will send a confirmation letter to each Customer whose enrollment is
12 acceptable to the Company.
13
- 14 D) Brokers who choose to participate in Western Transportation Service must do so through
15 to the end of each Gas Year.
16
- 17 E) A Customer's enrollment in Western Transportation Service is subject to the following:
18
- 19 1) A Customer may return to the Company's Sales Service for Primary Gas effective with
20 the start of any calendar month, subject to the Company's ability to provide Backstop
21 Gas on a best efforts basis and the Customer's requirement to pay any and all
22 incremental costs related to the Company's provision of that Backstop Gas.
23
- 24 2) The Company will provide Backstop Gas on a best-efforts basis to any Customer
25 whose Western Transportation Service Agreement is terminated, through the end of
26 the current calendar month, after which time the Customer may return to the
27 Company's Sales Service for Primary Gas in accordance with Article VII F) 1), or to
28 Western Transportation Service.
29
- 30 3) A Customer may switch Brokers effective with the start of any calendar month, subject
31 to the terms of their Agency Agreement.
32
- 33 4) A Customer may, through the enrollment process, switch between Western
34 Transportation Service Agreements with the same Broker effective with the start of
35 any calendar month.
36
- 37 F) The Broker is responsible for securing firm supply of Primary Gas and transportation to
38 the Alberta Border.
39
- 40 1) The firm supply and necessary transportation to the Alberta Border must be adequate
41 to meet the Maximum Daily Quantity established by the Company for Primary Gas,
42 plus the amount needed to supply related Fuel Gas on the TransCanada PipeLine
43 from the Alberta Border to the Company's distribution system. The ability to supply
44 and transport the Maximum Daily Quantity must be maintained for every day that
45 service is provided.
46
- 47 2) The Company may direct, dispatch or dispose of the firm supply in any manner it sees
48 fit, consistent with prudent utility practice, and shall be entitled to pass good title in
49 such gas.

1 3) The Company is not responsible for the cost of the firm supply or related transportation
2 to the Alberta Border, or for any financial or other performance penalties that may be
3 associated with such firm supply or related transportation.
4

5 G) The Company shall on each day nominate a quantity of Primary Gas (plus Fuel Gas) to
6 be delivered on the next day by the Broker and accepted by the Company at the Alberta
7 Border or at a designated point(s) of receipt acceptable to the Company in its sole
8 discretion in accordance with the following terms:
9

10 1) Prior to any deliveries being made in accordance with the terms of this Service, the
11 Broker shall provide the Company with the name, address, telephone number,
12 facsimile number and e-mail address(es) of the Supplier[s], and the point[s] of receipt
13 for deliveries. Such information shall be immediately updated as changes occur.
14

15 2) Where there are two or more Suppliers, the Broker shall indicate to the Company what
16 percentage of total daily nominations is to be made to each supplier. Such information
17 shall be immediately updated as changes occur.
18

19 3) The Company shall nominate by 12:00 noon Winnipeg time each day. The quantity
20 that is nominated will be determined by the Company, taking into account the total gas
21 requirements of the Broker (on behalf of the Broker's Customer(s)), its Maximum Daily
22 Quantity, system operating conditions, the quantity of Fuel Gas required to transport
23 Primary Gas from the Alberta Border to the Receipt Point, the availability of
24 transportation on TransCanada and nominations required under its system supply
25 contracts and other gas purchase agreements under which the Company obtains gas.
26 The required quantity of Fuel Gas will be determined in accordance with the applicable
27 TransCanada fuel ratio in effect from time to time, as approved by the Canada Energy
28 Regulator. Such nomination may be changed from time to time during the Day, and
29 the Broker shall promptly adjust its deliveries to accommodate such changes.
30

31 4) The Company will nominate directly to the Supplier. The Broker agrees to inform the
32 Supplier in writing that all nominations made in accordance with this Service by the
33 Company to the Supplier for the delivery of gas to the Company, shall be received by
34 the Supplier as if made by the Broker, and that all gas delivered by the Supplier to the
35 Company pursuant to such nominations shall be to the account of the Broker. If for
36 any reason the Supplier is unwilling or unable to accept such nominations, the
37 Company shall be entitled to make in its discretion such nominations directly to the
38 Broker.
39

40 5) The Company will nominate the Broker's supplies in approximately the same
41 proportion to the total gas requirements of the Broker (on behalf of the Broker's
42 Customer(s)) as the Company's nominations of Primary Gas in relation to total
43 requirements for the Company's Sales (including Western Transportation Service)
44 Customers.
45

46 6) Unless otherwise agreed to by the Broker (on behalf of the Broker's Customer(s)), the
47 maximum quantity of gas that the Company may nominate on any day is the Maximum
48 Daily Quantity, plus Fuel Gas.

1 7) The Broker shall immediately notify the Company if the anticipated quantity of gas to
2 be consumed by the Broker's Customer(s) significantly changes for any reason.
3

4 8)

5 a) The Broker or its Supplier shall notify the Company as soon as possible, after
6 receipt of the nomination, or change in nomination, if such nomination cannot be
7 satisfied. In addition, the Broker shall notify the Company immediately upon
8 becoming aware of any event that will alter or affect the deliveries of gas under this
9 Service.

10
11 b) Notice provided in accordance with paragraph a) above does not relieve the Broker
12 from their obligations hereunder.
13

14 9) All such confirmations or notifications shall be made by telephone, facsimile or e-mail,
15 and if given orally, shall be effective only if they are confirmed the same day in writing
16 by way of facsimile or e-mail.
17

18 10) Where a Supplier notifies the Company that nominations relating to more than one
19 such Broker will not be wholly satisfied, the Company shall allocate the shortfall among
20 such Brokers in accordance with the instructions of that Supplier. Where the Supplier
21 does not provide such instructions to the Company, the Company shall allocate the
22 shortfall among the Brokers in proportion to each Broker's respective share of the total
23 nomination made by the Company to that Supplier.
24

25 11) If, with respect to any day, a nomination is not accepted or if for any other reason, the
26 Broker fails to deliver any of the nominated gas, then the special provisions for
27 Backstop Gas under Western Transportation Service shall apply.
28

29 H) A monthly Gas Loan Mechanism will provide for cash payments between the Company
30 and each Broker for the value of the difference between Primary Gas Delivered by a
31 Broker and Primary Gas Billed to that Broker's Customers. The Gas Loan will be
32 reconciled for each Gas Year, within two months following the end of that Gas Year,
33

34 1) The Gas Loan will be tracked separately for each Broker.
35

36 2) For each Broker, the Company will calculate the Quantity Difference between Primary
37 Gas Delivered and Primary Gas Billed for each month.
38

39 a) Primary Gas Delivered in the month will be measured as the quantity of gas
40 received from Brokers at the Alberta Border during the month, but not including
41 Fuel Gas provided by the Brokers.
42

43 b) Primary Gas Billed in the month will be measured as the quantity of Primary Gas
44 reported on bills issued by the Company to the Broker's Customers during that
45 calendar month. Primary Gas Billed in the month may include consumption in a
46 prior period, in accordance with the Company's billing practices.

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- c) Where Primary Gas is measured in Gigajoules, the quantity of Primary Gas in Cubic Meters will be determined using the Gross Heating Value as determined by TransCanada.
- 3) The Value of the Gas Loan for each month will be calculated as the Quantity Difference in each month multiplied by the Company's average unit cost of Primary Gas in storage inventory at the commencement of the gas year.
- 4) The Value of the Gas Loan shall be payable each month.
 - a) If the quantity of Primary Gas Delivered in a month exceeds the quantity of Primary Gas Billed in that month, the Company shall pay the Value of the Gas Loan to the Broker.
 - b) If the quantity of Primary Gas Delivered in a month is less than the quantity of Primary Gas Billed in that month, the Broker shall pay the Value of the Gas Loan to the Company.
 - c) The Company will issue a statement for the amount payable by the Company or the Broker, as the case may be, on the 15th day of the month following the month in which gas is delivered. If such day is not a Business day, such statement shall be issued on the first Business Day following such day.
 - d) Remittances will be due and payable on the 20th day of the month following the month in which gas is delivered. If such day is not a Business day, such amount shall be due and payable on the first Business day following such day.
- 5) Following the end of each Gas Year, the Company will perform a reconciliation on the Gas Loan.
 - a) The Annual Quantity Difference will be calculated by the Company as the sum of the differences between Primary Gas delivered and Primary Gas consumed during the Gas Year, plus or minus any Annual Quantity Difference carried over from the prior Gas Year. A net under-delivered position will be reflected as a negative Annual Quantity Difference, and a net over-delivered position will be reflected as a positive Annual Quantity Difference.
 - b) For purposes of the annual reconciliation, the value of the gas loan security deposit remaining on account with the Company will be calculated as the sum of the monthly security deposits withheld from or repaid to brokers, plus the value of any Annual Quantity Differences carried over from the prior Gas Year.
 - c) At the conclusion of each Gas Year, Brokers can elect one of two options: the Annual Quantity Difference may either be carried over into the following Gas Year, or settled financially.
 - d) If Brokers elect to carry over the Annual Quantity Difference into the following Gas Year, that reconciliation is subject to the following conditions:

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- i) The annual financial reconciliation will consist of a final payment that completely offsets the remaining net value of the Security Deposits withheld from and repaid to Brokers throughout the Gas Year, plus a final payment equal to the value of the Annual Quantity Difference;
 - ii) The value of the Annual Quantity Difference carried over into the following year will be calculated by multiplying the Annual Quantity Difference for the current Gas Year being reconciled, by the Company's average unit cost of Primary Gas in storage inventory at the commencement of the Gas Year following the Gas year being reconciled;
 - iii) The Company will include the Annual Quantity Difference carried over from the prior Gas Year in the determination of the next Gas Year's annual supply requirements;
 - iv) The Company will nominate, and the Broker will deliver, appropriate quantities to satisfy current Gas Year consumption requirements as well as any Annual Quantity Difference (positive or negative) carried over from the prior Gas Year; and,
 - v) If, for any reason, the Broker will not be providing Primary Gas in the following Gas Year, the Annual Quantity Difference will not be carried over into the following Gas Year, and the Broker will be required to settle the Annual Quantity Difference as described below in Sub-section (e).
- e) If, for any reason, the Annual Quantity Difference will not be carried over into the following Gas Year, or if the broker will not be providing Primary Gas in the following Gas Year, then;
- i) The annual financial reconciliation will consist of a final payment that completely offsets the remaining net value of the Security Deposits withheld from and repaid to brokers throughout the Gas Year, plus a final payment equal to the Value of the Annual Quantity Difference; and,
 - ii) The value of the Annual Quantity Difference will be calculated by multiplying the Annual Quantity Difference for the Gas Year by the Company's average unit cost of Primary Gas in storage inventory at the commencement of the Gas Year being reconciled.
- f) If the remaining Value of the Gas Loan indicates an overpayment by the Broker, the Company shall pay that amount to the Broker with the next scheduled monthly transaction following completion of the reconciliation calculations.
- g) If the remaining Value of the Gas Loan indicates an underpayment by the Broker, the Broker shall pay that amount to the Company with the next scheduled monthly transaction following completion of the reconciliation calculations.

- 1 6) With respect to the Gas Loan Mechanism, no interest will be charged or credited by
2 the Company for the Value of the Gas Loan, except for interest that will be calculated
3 on late payments.
4

5 I) BILLING AND PAYMENT
6

- 7 1) Sales Customers will be billed monthly for Supplemental Gas, Transportation to
8 Centra, and Distribution to Customer at rates, as approved by the Board from time to
9 time. Bills will be issued on the regular billing cycle established by the Company.
10 Subject to the provision of Agency Billing and Collection Service as noted later herein,
11 unless the Broker signs an Agency Billing and Collection Agreement with the
12 Company, the Broker shall be responsible for billing the Customer for Primary Gas.
13 Failure by the Customer who does not utilize the ABC service to pay that Broker's bill
14 will not result in termination of service by the Company.
15
- 16 2) The Customer is responsible for all charges related to Western Transportation Service,
17 including charges incurred by their Broker when acting as the agent for the Customer.
18 Such charges include:
19
- 20 a) Gas supplies nominated by the Company at the Alberta Border, or at designated
21 point(s) of receipt as acceptable to the Company in its sole discretion, on behalf of
22 the Customer.
 - 23
 - 24 b) Payments for gas loaned to the Broker by the Company under the Gas Loan
25 Mechanism, including interest where applicable.
26
 - 27 c) Payments for Backstop Gas provided to the Broker by the Company, including
28 interest where applicable.
29
 - 30 d) Reimbursement of any penalties or charges imposed on the Company as a result
31 of the Broker's malfeasance or nonperformance.
32
 - 33 e) Service fees charged to the Broker by the Company.
34
- 35 3) The liability of a Broker's Customers in relation to an obligation of their Broker shall be
36 prorated by the Company among the Customers of that Broker, based upon the
37 Company's determination of any relevant factors and circumstances. Each
38 Customer's liability will be limited to its pro rata share, so determined.
39
- 40 4) Should the Broker fail to pay all of the amount of the Gas Loan Mechanism as herein
41 provided when such an amount is due, interest shall accrue on the unpaid portion of
42 the statement at a rate per annum equal to the Company's average short-term
43 borrowing cost, as updated from time to time. If such failure to pay continues for ten
44 days after such amount is due, the Company may use any financial security provided
45 by the Broker to meet that obligation and may deduct and set-off such amounts from
46 and against Primary Gas revenues collected by the Company on behalf of the Broker.
47
- 48 5) All remittances for the Gas Loan Mechanism will be accomplished via Electronic Funds
49 Transfer. Remittances related to the Gas Loan Mechanism may be added to or netted

1 against remittances related to ABC Service in order to accomplish a single transaction
2 on the scheduled day in each month.
3

4 6) In the event an error is discovered in the amount billed for the Gas Loan in any
5 statement deemed to be rendered, such error shall be adjusted within thirty (30) days
6 of the determination thereof, provided that such claim shall have been made within
7 sixty (60) days from the date of discovery of the error.
8

9 a) Errors discovered within the same Gas Year will be included in the monthly
10 Quantity Difference and Value of the Gas Loan during that Gas Year.
11

12 b) Errors discovered after the close of the Gas Year will be treated as an Annual
13 Quantity Difference, subject to the same conditions as specified for the Gas Loan
14 Mechanism.
15

16 J) Broker participation in Western Transportation Service is subject to the following:
17

18 1) Only Brokers licensed and registered to do business in the Province of Manitoba, and
19 authorized by the Manitoba Public Utilities Board to operate as a Broker in Manitoba
20 are eligible to participate;
21

22 2) The Agency Agreement creating a valid agency relationship between the Broker and
23 the Customer must be retained as set out by the PUB in the Code of Conduct for Direct
24 Purchase Transactions, as may be amended from time to time upon Order of the PUB;
25

26 3) The Agency Agreement must authorize the Broker to fulfill all requirements otherwise
27 required to be met by the Customer under this Part VII Special Terms and Conditions:
28 Western Transportation Service and be enforceable;
29

30 4) The Broker must execute a Western Transportation Service Agreement with the
31 Company on behalf of the Customer;
32

33 5) Brokers must obtain, and maintain in good standing, firm supply contracts and
34 transportation to the Alberta Border, or at designated point(s) of receipt as acceptable
35 to the Company in its sole discretion, sufficient to meet the Maximum Daily Quantity
36 requirements, plus Fuel Gas on TCPL from the Alberta Border to the interconnect

- 1 between TCPL and the Company, and the allowed annual Primary Gas requirements
2 for each Customer as determined by the Company;
3
- 4 6) Representations and warranties, satisfactory to the Company, that the Broker
5 complies with the licensing requirements of the Board, including regulation relating to
6 gas supply and transportation, as may be amended from time to time;
7
- 8 7) The Company may reject service elections from Brokers whose supply is not
9 documented or confirmed to the Company's satisfaction;
10
- 11 8) The Company is not responsible for damages to the Customer should the Broker fail
12 to perform; and
13
- 14 9)
- 15 a) The Broker must have a Standard & Poor's BBB grade credit rating (or its
16 equivalent of either B++ or Baa) or better, or alternatively, or in addition to, a form
17 of guarantee acceptable to the Company from a parent corporation with a Standard
18 & Poor's BBB grade credit rating (or its equivalent of either B++ or Baa) or better,
19 from a Canadian or United States credit rating agency recognized by the
20 Company.
21
- 22 b) Alternatively, if the Broker is unable to meet the requirements set out in
23 subparagraph 9 a) above, the Broker must provide credit support as reasonably
24 determined and requested by the Company from time to time.
25
- 26 c) The Broker shall immediately notify the Company in writing in the event that such
27 credit rating of either the Broker or its parent, whatever the case may be, falls
28 below the aforementioned minimum credit standard.
29
- 30 K) The Company will remain the natural gas provider of last resort.
31
- 32 1) The Company will provide Backstop Gas on a best-efforts basis to Customers of
33 Brokers whose registrations are revoked or whose Western Transportation Service
34 Agreements are terminated.
35
- 36 2) Both the Customer and the Broker remain responsible for all obligations that arise by
37 virtue of their participation in the Western Transportation Service, prior to the
38 Customer's return to either the Company's Sales Service for Primary Gas, or to
39 Western Transportation Service with a different Broker.
40
- 41 L) The Company will provide Backstop Gas in case of a failure of Broker supply on a best-
42 efforts basis as follows:
43
- 44 1) If on any day, a nomination is not accepted or if for any other reason, the Broker fails
45 to deliver gas to the Alberta Border, or at designated point(s) of receipt as acceptable
46 to the Company in its sole discretion, then the Company shall use its best efforts to
47 acquire gas to replace the failed supply with Backstop Gas.
48
- 49 2) In this event, the Company shall, in its discretion, charge the Broker and the Broker
50 shall pay for all Backstop Gas acquired on its behalf at a rate which shall not exceed

1 two times the incremental cost of the gas. The Broker and Customer acknowledge
2 that this is not a penalty, but a reasonable pre-estimate of liquidated damages and
3 organizational costs incurred by the Company.
4

5 3) If the Company is unable to acquire Backstop Gas then the Customer, on notice from
6 the Company, shall immediately curtail the use of gas at its facility. Customers who
7 continue to consume gas after notice from the Company will be subject to the
8 Unauthorized Over-Run Gas Charge and the Unauthorized Over-Run Delivery Charge
9 as defined in the Schedule of Sales and Transportation Services and Rates.

10
11 4) All obligations of the Broker and Customer to make up used but undelivered quantities
12 of gas remain in place and other obligations and amounts due to the Company remain
13 due and payable.
14

15 5) The Company shall report all instances where Backstop Gas is supplied, or requested
16 but not supplied, to the Public Utilities Board.
17

18 M) SUSPENSION AND TERMINATION
19

20 1) The Company may, without prejudice to its right of termination, suspend its obligations
21 hereunder with respect to any Customer which itself or through its Broker falls into
22 arrears in any payments required under this Service by more than sixty (60) days, such
23 suspension to last until payment is made to the Company of any outstanding amount.
24 During such period of suspension, the Company shall, subject to its right to disconnect
25 service to the Customer under the provisions of The Public Utilities Board Act, use its
26 best efforts to acquire and sell gas to the Customer as Backstop Gas, with any
27 alterations as may be necessary.
28

29 2) Except as otherwise provided in the Terms and Conditions of this Service, the
30 Company may terminate its obligations if there is a material breach or default of any
31 representation, warranty, or obligation of the Customer or Broker under the Terms and
32 Conditions of this Service or any Western Transportation Service Agreement, which is
33 not remedied within 10 days of the Company giving written notice of the breach or
34 default to the Customer or Broker.
35

36 3) The Company may immediately terminate its obligations under this Service if one of
37 the following events occurs:
38

39 a) Performance by the Company of its obligations hereunder would be in
40 contravention of any law or regulation or any order or decision of a regulatory body
41 or governmental authority having jurisdiction; or
42

43 b) The Broker shall be declared or adjudged bankrupt, or if an application is made in
44 respect of the Broker under the Companies Creditors Arrangements Act (Canada),
45 or if a liquidator, trustee in bankruptcy, custodian, receiver, receiver and manager,
46 moderator or any other officer with similar powers shall be appointed in place of or
47 for the Broker, or if the Broker shall commit any act of bankruptcy or institute
48 proceedings to be adjudged bankrupt or insolvent or consents to the appointment
49 or the institution of such proceedings or admits in writing to an inability to pay debts
50 generally as they become due or becomes an insolvent person as such term is

1 defined in the Bankruptcy and Insolvency Act (Canada); or if the Broker shall have
2 liquidated, dissolved, wound up its affairs or otherwise ceased doing business.

- 3
4 4) In the event that the Company exercises its rights of termination under paragraph 2 or
5 3 of these provisions, the Company shall concurrently with the termination, or as soon
6 as reasonably possible thereafter, give written notice to the Customer of the
7 termination.
8
9 5) In the event that this Service or the Agreement under which it is provided is terminated,
10 all outstanding obligations incurred under this Service by the Company, the Broker
11 and/or the Customer which arise by virtue of the Broker's or the Customer's
12 participation in this Service prior to such termination remain in full force and effect. The
13 Company and the Broker shall have the right to withhold any payments due to the
14 other party until its obligations accruing from the terminating Customer are met. As
15 between the Company and the Broker, each shall have the right to set off any
16 payments due to it by virtue of the Termination of the WTS Agreement against
17 amounts owing to the other pursuant to any Western Transportation Service/Agency
18 Billing and Collection Agreement, or the Gas Loan Mechanism operated thereunder.
19
20 6) No waiver by either party or any default by the other party under this Service shall
21 operate as a waiver of any future default, whether of a like or different nature.
22
23

1 **VIII. SPECIAL TERMS AND CONDITIONS: AGENCY BILLING AND COLLECTION SERVICE (ABC**
2 **SERVICE)**
3

4 A) ABC Service allows a Broker to assign to the Company the right to render bills to Western
5 Transportation Service Customers in respect of the amount payable by the Customers to
6 the Broker for Primary Gas, and to collect from Western Transportation Service Customers
7 the amounts so billed. The Company will provide a single bill to Customers that includes
8 charges for volumes consumed by the Customer as Primary Gas, as well as the
9 Company's charges for services provided by the Company.

10
11 1) In the event that the Broker does not maintain Standard & Poor's BBB grade credit
12 rating (or its equivalent of B++ or Baa) or better, ABC Service is mandatory.

13
14 2) The Broker must sign an ABC Service Agreement with the Company in order to receive
15 this Service.

16
17 3) Provision of this Service in no way makes the Company liable for any obligation
18 incurred by a Broker.

19
20 4) The Company will be entitled to deal with Primary Gas charges collected from Western
21 Transportation Service Customers in the same manner as it deals with its own funds.
22 These funds shall not, at any time, be construed to be trust funds.

23
24 B) The Broker will provide to the Company the Broker's Primary Gas Price to be charged to
25 the Broker's Customers.

26
27 1) The Broker's Primary Gas Price must be expressed in dollars per Cubic Meter of
28 Primary Gas consumed by the Broker's Customers.

29
30 2) The Broker's Primary Gas Price for Customers may be changed effective with the
31 beginning of each calendar month.

32
33 3) Changes to the Broker's Primary Gas Price must be provided to the Company 45 days
34 prior to the effective date of such change.

35
36 C) Brokers may enroll Customers in ABC Service at the same time the Customers are
37 enrolled in Western Transportation Service. Enrollment in ABC Service will automatically

1 end when Western Transportation Service is terminated by the Customer, the Broker or
2 the Company.

3
4 1) Brokers must group Customers such that all Customers in the Group are charged the
5 same Broker's Primary Gas Price.

6
7 2) Changes in enrollment for ABC Service may be requested using the enrollment
8 process for Western Transportation Service. The Company will inform the Broker
9 whether it can accommodate the change in enrollment.

10
11 3) The Company will bill the Customer for gas sold by the Broker to the Customer. A
12 tariff of \$0.25 per customer per month will be paid by the Broker to the Company for
13 the provision of this service.

14 D) Bills to any Customer will be issued according to the Company's billing cycle applicable to
15 that Customer.

16
17 1) The Company will include the Broker's charges for Primary Gas on every bill for natural
18 gas service which the Company renders to the Customer.

19
20 2) The Company will calculate the Broker's charges for Primary Gas in the same manner
21 as it calculates its own Charges for Primary Gas, including the provisions for pro-ration
22 of price changes during billing periods.

23
24 3) The Customer will make a remittance to the Company based on the total amount of
25 charges on the bill.

26
27 4) The Company will be responsible for collecting the total amount of charges on the bill.

28
29 5) Payments made by Customers to the Company pursuant to bills rendered by the
30 Company shall be made without any right of deduction or set-off and regardless of any
31 rights the Customers may have against the Broker.

32
33 6) Nonpayment of any amounts designated as Primary Gas charges on the bill shall
34 entitle the Company to the same recourse as non-payment of the Company's charges,
35 and may result in termination of service by the Company.

36
37 7) The Company's late payment charges to Customers will apply equally to Primary Gas
38 charges and other charges contained on the bill. No portion of these late payment
39 charges will be remitted to the Broker.

40
41 E) The Company will remit to the Broker an amount equivalent to the Broker's charges for
42 Primary Gas subject to the Company's right to deduct and set off any amounts owing to
43 the Company by the Broker. Remittance shall be made by the Company to the Broker for
44 a calendar month on or before the 20th day of the month following such calendar month.
45 If such day is not a Business Day, such amount shall be due and payable on the first
46 Business Day following such day.

47
48 1) Remittances will be based on the total Broker's charges for Primary Gas billed by the
49 Company to the Broker's Customers in that calendar month. The remittance payable
50 by the Company to the Broker for any calendar month will be calculated as the sum of

- 1 total Broker charges for Primary Gas and any amounts payable for that month by the
2 Company to the Broker under the Gas Loan Mechanism, less any amounts payable
3 by the Broker to the Company, including but not limited to payments required pursuant
4 to the Gas Loan Mechanism.
5
- 6 2) Where the amounts to be deducted under subparagraph (1) are greater than the sum
7 of Primary Gas charges billed to the Broker's Customers and Gas Loan payments due
8 from the Company to the Broker, the Company will invoice the Broker for the net
9 amount to be paid by the Broker to the Company. Remittance shall be made by the
10 Broker to the Company for a calendar month on or before the 20th day of the month
11 following such calendar month. If such day is not a Business Day, such amount shall
12 be due and payable on the first Business Day following such day.
13 3) Remittance under ABC Service will be made regardless of the payment status on the
14 Customer's bill.
15
16 4) Remittance shall be made via electronic funds transfer.
17
18 5) The Company will issue a statement of the Primary Gas charges billed to the Broker's
19 Customers on the 15th day of the month following the month in which gas is delivered.
20 If such day is not a Business day, such statement shall be issued on the first Business
21 Day following such day.
22
23 6) Any amount to be remitted hereunder and not remitted on or before the date on which
24 it is due (the "due date") shall thereafter bear interest at an annual rate equal to the
25 cost of the Company's average short-term borrowing cost, as updated from time to
26 time.
27
28 7) Any taxes (other than the Company's income taxes) and other charges which may
29 become payable on or in respect of any Billing Service Fee payable by the Broker
30 hereunder shall be borne and paid by the Broker.
31
32 8) Nothing contained in these Special Terms and Conditions of Agency Billing and
33 Collection Service shall operate to assign to the Company, or require the Company to
34 bill or collect or remit, any amounts payable as between the Customer and the Broker,
35 save and except such charges for Primary Gas as the Company shall calculate
36 hereunder using the Broker's Primary Gas Price effective pursuant to this Service.
37
38 9) The Company may terminate service under this Service for reasons other than
39 Customer non-payment if the Broker shall be declared or adjudged bankrupt, or if an
40 application is made in respect of the Broker under the Companies Creditors
41 Arrangements Act (Canada), or if a liquidator, trustee in bankruptcy, custodian,
42 receiver, receiver and manager, moderator or any other officer with similar powers
43 shall be appointed in place of or for the Broker, or if the Broker shall commit any act of
44 bankruptcy or institute proceedings to be adjudged bankrupt or insolvent or consents
45 to sue, appointment or the institution of such proceedings or admits in writing to an
46 inability to pay debts generally as they become due or becomes an insolvent person
47 as such term is defined in the Bankruptcy and Insolvency Act (Canada); or if the Broker
48 shall have liquidated, dissolved, wound up its affairs or otherwise ceased doing
49 business. In addition, the Company may immediately terminate this Service in the
50 event of a breach of the Agency Billing and Collection Service Agreement that is not

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remedied within ten (10) days of the notice of such breach being provided. Notwithstanding the termination of ABC Service, each party shall continue to be liable to pay, on the terms herein specified, any amount accrued or accruing due by such party to the other at the time of termination, regardless of when such amount becomes payable.

1 **IX. RATE SCHEDULES (BASE RATES ONLY – NO RIDERS)**

2
3 Please see pages 1 and 2 of Appendix A as attached.
4

5
6 **X. RATE SCHEDULES – ANNUAL RATES (BASE RATES PLUS RIDERS)**

7
8 Please see pages 3 and 4 of Appendix A as attached.
9

10
11 **XI. MISCELLANEOUS CHARGES FOR SERVICE**

12
13 **ABC SERVICE FEE**

14 \$0.25 per customer per month
15

16 **COMPANY LABOUR RATES:**

17 Please see Appendix B as attached.
18

19 **DAMAGE TO COMPANY EQUIPMENT:**

20 Materials, labour, equipment and cost of gas, including Damage Investigation and
21 Damage Repair and the cost of all Appliance Relights necessitated by the damage or the
22 repair thereof, as set out in Appendix B, Attached.
23

24 **EQUIPMENT RENTAL RATE:**

25 Various rates depending on equipment and customer class.
26

27 **FURNACE SAFETY CHECK:**

28 The charge for a safety check and tune-up of a natural gas furnace will be \$50. There is
29 no charge for the Company to investigate a situation involving the potential leakage of
30 gas.
31

32 **INSPECTION/REINSPECTION FEES:**

33 Inspection or reinspection of a single replacement or additional residential appliance will
34 be \$35.00. All other inspections or reinspections (minimum charge of 1 hour) will be
35 \$55.00 per hour.
36

37 **LATE PAYMENT CHARGE:**

38 A late payment charge of 1 ¼% per month shall be charged on the dollar amount owing
39 after each billing due date. The due date will be at least 14 days after the mailing of the
40 bills.
41

42 **MATERIALS:**

43 Manufacturer's listed price plus freight and taxes.
44

45 **METER RELOCATIONS:**

46 Various rates depending on size of meter.
47
48
49
50

1 METER TEST:

2 When a Customer requests a test for the meter, the charge will be \$110 for a Residential
3 Meter or \$220 for a Commercial Meter. This charge includes the cost of the test performed,
4 and the removal and replacement of the natural gas meter.
5

6 UNAUTHORIZED OVER-RUN DELIVERY CHARGE:

7 For delivery service taken in contravention of the Company's notice of curtailment, the
8 applicable Unauthorized Over-Run Delivery Charge shall be equal to the greater of: firm
9 LGS volumetric rate for Transportation to Centra and Distribution to Customer Service, or;
10 a pro rata share with any other Customers in contravention of the Company's notice of
11 curtailment of any incremental costs incurred directly or indirectly as a result of such
12 contravention.
13

14 UNAUTHORIZED OVER-RUN GAS CHARGE:

15 For Unauthorized Over-Run Gas taken in contravention of any conditions set forth in these
16 terms and conditions of service, the Company may charge the applicable delivery charge,
17 plus the greater of either:

- 18 a) 1.5 times the settled maximum daily NGX AB-NIT Same Day Index (High) as
19 reported in the Canadian Gas Price Reporter (CGPR) during the time period that
20 the Customer was curtailed, or
- 21 b) the natural gas rate in dollars per cubic metre equivalent to 1.5 times the maximum
22 daily terminal unbranded rack price for Furnace Fuel Oil in dollars per litre that was
23 reported in Winnipeg during the time period that the Customer was curtailed, or
- 24 c) the cost to the Company of obtaining replacement gas for delivery to the
25 designated receipt point on that day.
26

27 RECONNECT FEES:

28
29 On each occasion when gas service is discontinued and subsequently resumed to the
30 same Consumer at the same Premises, a reconnect fee will be charged in addition to: (a)
31 the Basic Monthly Charge, except where a customer is disconnected in accordance with
32 Section G) 2) of the Terms and Conditions of Service; and (b) the Demand Charge (if
33 applicable) for the period of disconnection. For purposes of establishing the Monthly
34 Demand Charge, the Demand Charge billed during the last month that service was
35 provided will apply.
36

37 Where a service reconnection takes place during regular business hours, a reconnect fee
38 of \$70 (plus GST) shall be charged. Where a service reconnection takes place outside of
39 regular working hours a reconnect fee of \$100 (plus GST) shall be charged.
40

41 In the event that the meter, regulation equipment and/or service line are removed and
42 replaced on the same Premises within five years of removal, the Company may charge
43 an additional fee equal to the cost of resetting the meter and regulator and installation of
44 the new service line.
45
46
47
48

1 RETURNED CHEQUE CHARGE:
2 When a Consumer's cheque is returned by banks or other financial institutions for reasons
3 beyond the control of the Company, a returned cheque charge of \$20.00 will be assessed
4 to the Customer.
5
6 SECURITY DEPOSITS:
7 Three highest months consumption to a maximum of \$225.
8
9 TEMPORARY DISCONNECTION:
10 In situations where a Premise is renovated, demolished or altered such that temporary
11 removal of the Company's equipment is required, the Company may charge a cost based
12 fee for re-establishing the natural gas service.
13
14 SERVICE RELOCATIONS AND ALTERATIONS
15 Where a customer requests, or where the customer's conduct requires, that an existing
16 meter, regulator and/or service line be altered or relocated (so that it follows a different
17 route from that chosen by the Company when it was initially installed or alters the existing
18 configuration), the Company may require and the Customer shall pay all costs associated
19 with the alteration or relocation, including the material, labour, and equipment required to
20 perform the alteration or relocation.
21
22 YARD SERVICES:
23 Materials plus 40% plus labour.
24

Service Type	Location	Regular Hourly Rate	Overtime Hourly Rate
Service Line Alterations	All Areas	\$128.00	\$179.00
Damage Repairs	All Areas	\$128.00	\$179.00
Damage Investigation	All Areas	\$153.00	\$215.00
Appliance Relights	All Areas	\$128.00	\$179.00
Metering Services	All Areas	\$143.00	\$200.00
"As Built" Plans	All Areas	\$137.00	\$192.00

Approved by PUB Order No.:

Date of Board Order:

Transportation Service Balancing Fee Structure

	Level of Imbalance	Balancing Fee
Daily Fee	Less than 2%	0
Tier 1	2% up to 4%	0.2 times FTD, times 50%
Tier 2	4% up to 8%	0.5 times FTD, times 50%
Tier 3	8% up to 10%	0.75 times FTD, times 50%
Tier 4	10% or Greater	1.0 times FTD, times 50%

Cumulative Fee	Less than 4%	0
Tier 1	4% up to 6%	0.15 times FTD, times 50%
Tier 2	6% or Greater	0.25 times FTD, times 50%

Where, FTD (FT daily demand charge) is the approved Canada Energy Regulator reference toll for calculating all TCPL Mainline balancing fee

Transportation Service Balancing Tolerances

Average Daily Consumption (GJ/day)	Absolute Daily Tolerance	Absolute Cumulative Tolerance
Less than 1,000	+/- 100 GJ	+/- 200 GJ
1,000 to less than 1,700	+/- 200 GJ	+/- 400 GJ
1,700 to less than 2,500	+/- 300 GJ	+/- 600 GJ
2,500 to less than 5,000	+/- 500 GJ	+/- 1,000 GJ
5,000 or more	+/- 1,000 GJ	+/- 2,000 GJ

Approved by PUB Order No.:

Date of Board Order:

Centra Gas Manitoba Inc.
2019/20 General Rates Application-Reflecting Order 152/19
Bill Impact Comparison
2019/20 Test Year

BILLED VS. BILLED													
AUG 1/19 APPROVED BILLED RATES													
NOV 1/19 PROPOSED BILLED RATES													
BILL IMPACTS													
	Load Factor	Annual Use 10 ³ m ³	Mcf	Basic Chg	Demand	Commodity	Annual	Basic Chg	Demand	Commodity	Annual	\$	%
8	Small General Service ¹⁾	1.00	35	\$168	\$0	\$230	\$398	\$168	\$0	\$172	\$340	(\$57)	-14.4%
9		1.98	70	\$168	\$0	\$455	\$623	\$168	\$0	\$342	\$510	(\$114)	-18.2%
10	(Typical Residential Customer)	2.22	78	\$168	\$0	\$509	\$677	\$168	\$0	\$382	\$550	(\$127)	-18.8%
11		2.80	99	\$168	\$0	\$644	\$812	\$168	\$0	\$483	\$651	(\$161)	-19.8%
12		3.20	113	\$168	\$0	\$735	\$903	\$168	\$0	\$552	\$720	(\$183)	-20.3%
13		3.68	130	\$168	\$0	\$846	\$1,014	\$168	\$0	\$635	\$803	(\$211)	-20.8%
14		11.33	400	\$168	\$0	\$2,602	\$2,770	\$168	\$0	\$1,953	\$2,121	(\$649)	-23.4%
15													
16	Large General Service	11.33	400	\$924	\$0	\$2,001	\$2,925	\$924	\$0	\$1,901	\$2,825	(\$100)	-3.4%
17		59.49	2,100	\$924	\$0	\$10,505	\$11,429	\$924	\$0	\$9,978	\$10,902	(\$527)	-4.6%
18		679.87	24,000	\$924	\$0	\$120,052	\$120,976	\$924	\$0	\$114,034	\$114,958	(\$6,018)	-5.0%
19													
20	HVF (Sales Service) 25%	850	30,000	\$13,420	\$51,159	\$98,631	\$163,209	\$12,213	\$75,029	\$64,409	\$151,650	(\$11,559)	-7.1%
21	40%	850	30,000	\$13,420	\$31,974	\$98,631	\$144,025	\$12,213	\$46,893	\$64,409	\$123,515	(\$20,510)	-14.2%
22	40%	1,416	50,000	\$13,420	\$53,291	\$164,384	\$231,095	\$12,213	\$78,155	\$107,349	\$197,716	(\$33,379)	-14.4%
23	40%	2,833	100,000	\$13,420	\$106,581	\$328,769	\$448,770	\$12,213	\$156,309	\$214,697	\$383,219	(\$65,551)	-14.6%
24	40%	6,200	218,866	\$13,420	\$233,271	\$719,563	\$966,253	\$12,213	\$342,108	\$469,899	\$824,220	(\$142,034)	-14.7%
25	40%	12,600	444,792	\$13,420	\$474,066	\$1,462,338	\$1,949,623	\$12,213	\$695,252	\$954,956	\$1,662,420	(\$287,403)	-14.7%
26	75%	685	24,181	\$13,420	\$13,745	\$79,500	\$106,665	\$12,213	\$20,159	\$51,916	\$84,288	(\$22,378)	-21.0%
27	75%	850	30,000	\$13,420	\$17,053	\$98,631	\$129,103	\$12,213	\$25,010	\$64,409	\$101,631	(\$27,472)	-21.3%
28	75%	1,416	50,000	\$13,420	\$28,422	\$164,384	\$206,226	\$12,213	\$41,683	\$107,349	\$161,244	(\$44,982)	-21.8%
29	75%	2,833	100,000	\$13,420	\$56,843	\$328,769	\$399,032	\$12,213	\$83,365	\$214,697	\$310,275	(\$88,757)	-22.2%
30	75%	6,200	218,866	\$13,420	\$124,411	\$719,563	\$857,394	\$12,213	\$182,458	\$469,899	\$664,569	(\$192,824)	-22.5%
31	75%	12,600	444,792	\$13,420	\$252,835	\$1,462,338	\$1,728,592	\$12,213	\$370,801	\$954,956	\$1,337,969	(\$390,623)	-22.6%
32													
33	HVF (T-Service) 40%	2,600	91,783	\$13,420	\$32,128	\$18,923	\$64,470	\$12,213	\$38,653	\$22,324	\$73,189	\$8,719	13.5%
34	40%	11,000	388,311	\$13,420	\$135,925	\$80,057	\$229,402	\$12,213	\$163,530	\$94,448	\$270,191	\$40,789	17.8%
35	40%	17,600	621,297	\$13,420	\$217,481	\$128,091	\$358,991	\$12,213	\$261,648	\$151,117	\$424,978	\$65,987	18.4%
36	75%	2,600	91,783	\$13,420	\$17,135	\$18,923	\$49,477	\$12,213	\$20,615	\$22,324	\$55,151	\$5,674	11.5%
37	75%	11,000	388,311	\$13,420	\$72,494	\$80,057	\$165,970	\$12,213	\$87,216	\$94,448	\$193,877	\$27,907	16.8%
38	75%	17,600	621,297	\$13,420	\$115,990	\$128,091	\$257,500	\$12,213	\$139,546	\$151,117	\$302,875	\$45,375	17.6%
39													
40	Cooperative 35%	250	8,825	\$3,289	\$14,042	\$23,740	\$41,071	\$2,662	\$13,740	\$24,075	\$40,478	(\$593)	-1.4%
41	35%	350	12,355	\$3,289	\$19,659	\$33,236	\$56,184	\$2,662	\$19,236	\$33,705	\$55,604	(\$580)	-1.0%
42	35%	500	17,650	\$3,289	\$28,084	\$47,480	\$78,853	\$2,662	\$27,480	\$48,150	\$78,293	(\$560)	-0.7%
43													
44	MLC (Sales Service) 40%	2,833	100,000	\$28,240	\$163,725	\$273,049	\$465,014	\$12,995	\$77,709	\$268,339	\$359,043	(\$105,971)	-22.8%
45	40%	14,164	500,000	\$28,240	\$818,626	\$1,365,246	\$2,212,112	\$12,995	\$388,544	\$1,341,695	\$1,743,234	(\$468,878)	-21.2%
46	40%	28,328	1,000,000	\$28,240	\$1,637,252	\$2,730,492	\$4,395,984	\$12,995	\$777,088	\$2,683,389	\$3,473,472	(\$922,511)	-21.0%
47	75%	2,833	100,000	\$28,240	\$87,320	\$273,049	\$388,609	\$12,995	\$41,445	\$268,339	\$322,779	(\$65,830)	-16.9%
48	75%	14,164	500,000	\$28,240	\$436,601	\$1,365,246	\$1,830,086	\$12,995	\$207,223	\$1,341,695	\$1,561,913	(\$268,173)	-14.7%
49	75%	28,328	1,000,000	\$28,240	\$873,201	\$2,730,492	\$3,631,933	\$12,995	\$414,447	\$2,683,389	\$3,110,831	(\$521,101)	-14.3%
50	75%	41,000	1,447,339	\$28,240	\$1,263,818	\$3,951,948	\$5,244,006	\$12,995	\$599,845	\$3,883,775	\$4,496,616	(\$612,841)	-14.3%
51													
52	MLC (T-Service) 40%	14,000	494,213	\$28,240	\$181,393	\$17,293	\$226,926	\$12,995	\$260,540	-\$13,091	\$260,444	\$33,519	14.8%
53	40%	18,000	635,417	\$28,240	\$233,219	\$22,234	\$283,693	\$12,995	\$334,980	-\$16,831	\$331,144	\$47,451	16.7%
54	40%	44,000	1,553,242	\$28,240	\$570,091	\$54,349	\$652,680	\$12,995	\$818,839	-\$41,143	\$790,692	\$138,012	21.1%
55	75%	14,000	494,213	\$28,240	\$96,743	\$17,293	\$142,276	\$12,995	\$138,955	-\$13,091	\$138,859	(\$3,417)	-2.4%
56	75%	18,000	635,417	\$28,240	\$124,384	\$22,234	\$174,857	\$12,995	\$178,656	-\$16,831	\$174,820	(\$37)	0.0%
57	75%	44,000	1,553,242	\$28,240	\$304,049	\$54,349	\$386,638	\$12,995	\$436,714	-\$41,143	\$408,567	\$21,929	5.7%
58													
59	Special Contract												
60													
61	Power Stations												
62													
63	Interruptible Sales 25%	850	30,000	\$12,513	\$24,602	\$95,050	\$132,164	\$12,507	\$37,503	\$73,567	\$123,577	(\$8,588)	-6.5%
64	40%	2,833	100,000	\$12,513	\$51,254	\$316,833	\$380,600	\$12,507	\$78,130	\$245,223	\$335,861	(\$44,739)	-11.8%
65	40%	14,164	500,000	\$12,513	\$256,268	\$1,584,167	\$1,852,947	\$12,507	\$390,652	\$1,226,117	\$1,629,276	(\$223,671)	-12.1%
66	75%	850	30,000	\$12,513	\$8,201	\$95,050	\$115,763	\$12,507	\$12,501	\$73,567	\$98,575	(\$17,188)	-14.8%
67	75%	2,833	100,000	\$12,513	\$27,335	\$316,833	\$356,681	\$12,507	\$41,670	\$245,223	\$299,400	(\$57,281)	-16.1%
68	75%	14,164	500,000	\$12,513	\$136,676	\$1,584,167	\$1,733,356	\$12,507	\$208,348	\$1,226,117	\$1,446,972	(\$266,384)	-16.5%

¹⁾ Bill Impact for SGS customers includes FRP Refund Rider (\$0.0259/m³) in addition to other riders

**Centra Gas Manitoba Inc.
2019/20 General Rates Application-Reflecting Order 152/19
Bill Impact Comparison
2019/20 Test Year**

BASE VS. BASE													
AUG 1/19 APPROVED BASE RATES													
NOV 1/19 PROPOSED BASE RATES													
BASE IMPACTS													
	Load Factor	Annual Use 10 ³ m ³	Mcf	Basic Chg	Demand	Commodity	Annual	Basic Chg	Demand	Commodity	Annual	\$	%
1	Small General Service	1.00	35	\$168	\$0	\$225	\$393	\$168	\$0	\$207	\$375	(\$18)	-4.6%
2		1.98	70	\$168	\$0	\$445	\$613	\$168	\$0	\$409	\$577	(\$35)	-5.8%
3	(Typical Residential Customer)	2.22	78	\$168	\$0	\$498	\$666	\$168	\$0	\$459	\$627	(\$40)	-6.0%
4		2.80	99	\$168	\$0	\$630	\$798	\$168	\$0	\$580	\$748	(\$50)	-6.3%
5		3.20	113	\$168	\$0	\$719	\$887	\$168	\$0	\$662	\$830	(\$57)	-6.5%
6		3.68	130	\$168	\$0	\$828	\$996	\$168	\$0	\$762	\$930	(\$66)	-6.6%
7		11.33	400	\$168	\$0	\$2,546	\$2,714	\$168	\$0	\$2,343	\$2,511	(\$203)	-7.5%
8	Large General Service	11.33	400	\$924	\$0	\$1,945	\$2,869	\$924	\$0	\$1,967	\$2,891	\$22	0.8%
9		59.49	2,100	\$924	\$0	\$10,213	\$11,137	\$924	\$0	\$10,327	\$11,251	\$114	1.0%
10		679.87	24,000	\$924	\$0	\$116,720	\$117,644	\$924	\$0	\$118,025	\$118,949	\$1,305	1.1%
11	HVF (Sales Service) 25%	850	30,000	\$13,420	\$51,159	\$94,459	\$159,038	\$12,213	\$49,800	\$94,502	\$156,514	(\$2,524)	-1.6%
12	40%	850	30,001	\$13,420	\$31,976	\$94,462	\$139,857	\$12,213	\$31,126	\$94,505	\$137,843	(\$2,014)	-1.4%
13	40%	1,416	50,000	\$13,420	\$53,291	\$157,432	\$224,142	\$12,213	\$51,875	\$157,503	\$221,590	(\$2,552)	-1.1%
14	40%	2,833	100,000	\$13,420	\$106,581	\$314,863	\$434,864	\$12,213	\$103,750	\$315,006	\$430,968	(\$3,896)	-0.9%
15	40%	6,200	218,866	\$13,420	\$233,271	\$689,128	\$935,819	\$12,213	\$227,073	\$689,440	\$928,726	(\$7,093)	-0.8%
16	40%	12,600	444,792	\$13,420	\$474,066	\$1,400,487	\$1,887,972	\$12,213	\$461,471	\$1,401,120	\$1,874,803	(\$13,169)	-0.7%
17	75%	685	24,181	\$13,420	\$13,745	\$76,138	\$103,303	\$12,213	\$13,380	\$76,172	\$101,765	(\$1,538)	-1.5%
18	75%	850	30,000	\$13,420	\$17,053	\$94,459	\$124,932	\$12,213	\$16,600	\$94,502	\$123,314	(\$1,617)	-1.3%
19	75%	1,416	50,000	\$13,420	\$28,422	\$157,432	\$199,273	\$12,213	\$27,667	\$157,503	\$197,382	(\$1,891)	-0.9%
20	75%	2,833	100,000	\$13,420	\$56,843	\$314,863	\$385,126	\$12,213	\$55,333	\$315,006	\$382,551	(\$2,575)	-0.7%
21	75%	6,200	218,866	\$13,420	\$124,411	\$689,128	\$826,959	\$12,213	\$121,106	\$689,440	\$822,758	(\$4,201)	-0.5%
22	75%	12,600	444,792	\$13,420	\$252,835	\$1,400,487	\$1,666,742	\$12,213	\$246,118	\$1,401,120	\$1,659,450	(\$7,291)	-0.4%
23	HVF (T-Service) 40%	2,600	91,783	\$13,420	\$32,128	\$18,923	\$64,470	\$12,213	\$38,444	\$25,740	\$76,397	\$11,927	18.5%
24	40%	11,000	388,311	\$13,420	\$135,925	\$80,057	\$229,402	\$12,213	\$162,649	\$108,900	\$283,762	\$54,360	23.7%
25	40%	17,600	621,297	\$13,420	\$217,481	\$128,091	\$358,991	\$12,213	\$260,239	\$174,240	\$446,692	\$87,700	24.4%
26	75%	2,600	91,783	\$13,420	\$17,135	\$18,923	\$49,477	\$12,213	\$20,504	\$25,740	\$58,456	\$8,979	18.1%
27	75%	11,000	388,311	\$13,420	\$72,494	\$80,057	\$165,970	\$12,213	\$86,746	\$108,900	\$207,859	\$41,889	25.2%
28	75%	17,600	621,297	\$13,420	\$115,990	\$128,091	\$257,500	\$12,213	\$138,794	\$174,240	\$325,247	\$67,746	26.3%
29	Cooperative 35%	250	8,825	\$3,289	\$14,042	\$22,513	\$39,844	\$2,662	\$13,740	\$22,450	\$38,853	(\$991)	-2.5%
30	35%	350	12,355	\$3,289	\$19,659	\$31,518	\$54,466	\$2,662	\$19,236	\$31,430	\$53,329	(\$1,137)	-2.1%
31	35%	500	17,650	\$3,289	\$28,084	\$45,026	\$76,399	\$2,662	\$27,480	\$44,900	\$75,043	(\$1,356)	-1.8%
32	MLC (Sales Service) 40%	2,833	100,000	\$28,240	\$163,725	\$259,144	\$451,109	\$12,995	\$141,142	\$259,200	\$413,337	(\$37,771)	-8.4%
33	40%	14,164	500,000	\$28,240	\$818,626	\$1,295,718	\$2,142,584	\$12,995	\$705,712	\$1,295,999	\$2,014,706	(\$127,878)	-6.0%
34	40%	28,328	1,000,000	\$28,240	\$1,637,252	\$2,591,436	\$4,256,928	\$12,995	\$1,411,425	\$2,591,997	\$4,016,417	(\$240,510)	-5.6%
35	75%	2,833	100,000	\$28,240	\$87,320	\$259,144	\$374,704	\$12,995	\$75,276	\$259,200	\$347,471	(\$27,233)	-7.3%
36	75%	14,164	500,000	\$28,240	\$436,601	\$1,295,718	\$1,760,558	\$12,995	\$376,380	\$1,295,999	\$1,685,374	(\$75,185)	-4.3%
37	75%	28,328	1,000,000	\$28,240	\$873,201	\$2,591,436	\$3,492,877	\$12,995	\$752,760	\$2,591,997	\$3,357,752	(\$135,124)	-3.9%
38	75%	41,000	1,447,339	\$28,240	\$1,263,818	\$3,750,687	\$5,042,746	\$12,995	\$1,089,499	\$3,751,500	\$4,853,994	(\$188,751)	-3.7%
39	MLC (T-Service) 40%	14,000	494,213	\$28,240	\$181,393	\$17,293	\$226,926	\$12,995	\$260,055	\$22,400	\$295,450	\$68,524	30.2%
40	40%	18,000	635,417	\$28,240	\$233,219	\$22,234	\$283,693	\$12,995	\$334,356	\$28,800	\$376,151	\$92,458	32.6%
41	40%	44,000	1,553,242	\$28,240	\$570,091	\$54,349	\$652,680	\$12,995	\$817,315	\$70,400	\$900,710	\$248,030	38.0%
42	75%	14,000	494,213	\$28,240	\$96,743	\$17,293	\$142,276	\$12,995	\$138,696	\$22,400	\$174,091	\$31,815	22.4%
43	75%	18,000	635,417	\$28,240	\$124,384	\$22,234	\$174,857	\$12,995	\$178,323	\$28,800	\$220,118	\$45,261	25.9%
44	75%	44,000	1,553,242	\$28,240	\$304,049	\$54,349	\$386,638	\$12,995	\$435,901	\$70,400	\$519,297	\$132,659	34.3%
45	Special Contract												
46	Power Stations												
47	Interruptible Sales 25%	850	30,000	\$12,513	\$24,602	\$91,157	\$128,271	\$12,507	\$24,743	\$89,318	\$126,568	(\$1,703)	-1.3%
48	40%	2,833	100,000	\$12,513	\$51,254	\$303,856	\$367,622	\$12,507	\$51,549	\$297,726	\$361,782	(\$5,841)	-1.6%
49	40%	14,164	500,000	\$12,513	\$256,268	\$1,519,279	\$1,788,060	\$12,507	\$257,745	\$1,488,628	\$1,758,880	(\$29,180)	-1.6%
50	75%	850	30,000	\$12,513	\$8,201	\$91,157	\$111,870	\$12,507	\$8,248	\$89,318	\$110,073	(\$1,797)	-1.6%
51	75%	2,833	100,000	\$12,513	\$27,335	\$303,856	\$343,704	\$12,507	\$27,493	\$297,726	\$337,725	(\$5,978)	-1.7%
52	75%	14,164	500,000	\$12,513	\$136,676	\$1,519,279	\$1,668,468	\$12,507	\$137,464	\$1,488,628	\$1,638,599	(\$29,869)	-1.8%

2d

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:	<u>Distribution to Customers</u>			
		<u>Transportation</u>			
		<u>to</u>		<u>Primary Gas</u>	<u>Supplemental</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Gas</u>
				<u>Supply</u>	<u>Supply</u> ¹
13					
14	Basic Monthly Charge: (\$/month)				
15	Small General Class (SGC)	N/A	\$14.00	N/A	N/A
16	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A
17	High Volume Firm (HVF)	N/A	\$1,017.72	\$1,017.72	N/A
18	Cooperative (CO-OP)	N/A	\$221.87	\$221.87	N/A
19	Main Line Class (MLC)	N/A	\$1,082.93	\$1,082.93	N/A
20	Special Contract	N/A	N/A	\$187,692.71	N/A
21	Power Station	N/A	N/A	\$6,307.49	N/A
22					
23	Monthly Demand Charge (\$/m³/month)				
24	High Volume Firm Class (HVF)	\$0.2657	\$0.1799	\$0.1799	N/A
25	Cooperative (CO-OP)	\$0.4237	\$0.1614	\$0.1614	N/A
26	Main Line Class (MLC)	\$0.3802	\$0.2260	\$0.2260	N/A
27	Special Contract	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0036	N/A
29					
30	Commodity Volumetric Charge: (\$/m³)				
31	Small General Class (SGC)	\$0.0452	\$0.0744	N/A	\$0.0842
32	Large General Class (LGC)	\$0.0437	\$0.0427	N/A	\$0.0842
33	High Volume Firm (HVF)	\$0.0141	\$0.0099	\$0.0099	\$0.0842
34	Cooperative (CO-OP)	\$0.0025	\$0.0001	\$0.0001	\$0.0842
35	Main Line Class (MLC)	\$0.0027	\$0.0016	\$0.0016	\$0.0842
36	Special Contract	N/A	N/A	\$0.0001	N/A
37	Power Station	N/A	N/A	\$0.0205	N/A
38					

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

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

Effective: Rates to be charged for all billings based on gas consumed on and after November 1, 2019

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE 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:	For any consumer at one location whose annual natural gas requirements equal or				
4		exceed 680,000 m ³ and who contracts for such service for a minimum of one year, or				
5		who received Interruptible Service continuously since December 31, 1996. Service				
6		under this rate shall be limited to the extent that the Company considers it has available				
7		natural gas supplies and/or capacity to provide delivery service.				
8						
9	Rates:	Distribution to Customers				
		Transportation			Primary Gas	Supplemental
		to			Supply	Gas
		Centra	Sales Service	T-Service		Supply¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.25	\$1,042.25	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.1344	\$0.0870	\$0.0870	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.2068	\$0.2260	\$0.2260	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0077	\$0.0067	\$0.0067	\$0.0842	\$0.1392
21	Mainline Interruptible (with firm delivery)	\$0.0028	\$0.0016	\$0.0016	\$0.0842	\$0.1392
22						
23	Alternate Supply Service:			Negotiated		
24	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
25	Delivery - Interruptible Class			\$0.0096		
26	Delivery - Mainline Interruptible Class			\$0.0090		
27						
28	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
29						
30	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
31						
32	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019				
33						

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES 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 to natural gas distribution cooperatives
7	CO-OP:	For gas delivered through one meter at annual volumes greater than 680,000 m ³
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:	<u>Distribution to Customers</u>			
		<u>Transportation</u>			<u>Supplemental</u>
		<u>to</u>		<u>Primary Gas</u>	<u>Gas</u>
		<u>Centra</u>	<u>Sales Service</u>	<u>T-Service</u>	<u>Supply</u> ¹
13					
14	Basic Monthly Charge: (\$/month)				
15	Small General Class (SGC)	N/A	\$14.00	N/A	N/A
16	Large General Class (LGC)	N/A	\$77.00	\$77.00	N/A
17	High Volume Firm (HVF)	N/A	\$1,017.72	\$1,017.72	N/A
18	Cooperative (CO-OP)	N/A	\$221.87	\$221.87	N/A
19	Main Line Class (MLC)	N/A	\$1,082.93	\$1,082.93	N/A
20	Special Contract	N/A	N/A	\$187,692.71	N/A
21	Power Station	N/A	N/A	\$6,307.49	N/A
22					
23	Monthly Demand Charge (\$/m³/month)				
24	High Volume Firm Class (HVF)	\$0.4905	\$0.1809	\$0.1809	N/A
25	Cooperative (CO-OP)	\$0.4237	\$0.1614	\$0.1614	N/A
26	Main Line Class (MLC)	\$0.1073	\$0.2264	\$0.2264	N/A
27	Special Contract	N/A	N/A	N/A	N/A
28	Power Station	N/A	N/A	\$0.0036	N/A
29					
30	Commodity Volumetric Charge: (\$/m³)				
31	Small General Class (SGC) ²	\$0.0419	\$0.0626	N/A	\$0.1384
32	Large General Class (LGC)	\$0.0430	\$0.0310	N/A	\$0.1384
33	High Volume Firm (HVF)	\$0.0141	\$0.0099	\$0.0086	\$0.1384
34	High Volume Firm (HVF) Refund	-\$0.0296	-\$0.0123		
35	Cooperative (CO-OP)	\$0.0025	\$0.0001	\$0.0001	\$0.1384
36	Main Line Class (MLC)	\$0.0129	\$0.0016	\$0.0016	\$0.1384
37	Main Line Class (MLC) Refund		-\$0.0135	-\$0.0025	
38	Special Contract	N/A	N/A	\$0.0001	N/A
39	Power Station	N/A	N/A	\$0.0205	N/A
40					

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

² SGC Customers also receive a refund (shown as a separate line item) of \$0.0259/m³ effective Nov 1, 2019 related to the Furnace Replacement Program as per Order 152/19.

44		
45	Minimum Monthly Bill:	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.
46		
47	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

CENTRA GAS MANITOBA INC.
INTERRUPTIBLE SALES AND DELIVERY SERVICES
RATES 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 680,000 m ³ and who contracts for such service for a minimum of one year, or				
4		who received Interruptible Service continuously since December 31, 1996. Service				
5		under this rate shall be limited to the extent that the Company considers it has available				
6		natural gas supplies and/or capacity to provide delivery service.				
7						
8						
9	Rates:	Distribution to Customers				
		Transportation			Primary Gss	Supplemental
		to			Supply	Gas
		Centra	Sales Service	T-Service		Supply¹
10						
11	Basic Monthly Charge: (\$/month)					
12	Interruptible Service	N/A	\$1,042.25	\$1,042.25	N/A	N/A
13	Mainline Interruptible (with firm delivery)	N/A	\$1,082.93	\$1,082.93	N/A	N/A
14						
15	Monthly Demand Charge (\$/m³/month)					
16	Interruptible Service	\$0.2479	\$0.0877	\$0.0877	N/A	N/A
17	Mainline Interruptible (with firm delivery)	\$0.3814	\$0.2264	\$0.2264	N/A	N/A
18						
19	Commodity Volumetric Charge: (\$/m³)					
20	Interruptible Service	\$0.0033	\$0.0067	\$0.0067	\$0.0910	\$0.1392
21	Interruptible Service Refund		-\$0.0201	-\$0.0070		
22	Mainline Interruptible (with firm delivery)	-\$0.0043	\$0.0016	\$0.0016	\$0.0910	\$0.1392
23						
24	Alternate Supply Service:			Negotiated		
25	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
26	Delivery - Interruptible Class			\$0.0096		
27	Delivery - Mainline Interruptible Class			\$0.0090		
28						
29	¹ Supplemental Gas is mandatory for all Sales and Western T-Service Customers.					
30						
31						
32	Minimum Monthly Bill:	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
33						
34	Effective:	Rates to be charged for all billings based on gas consumed on and after November 1, 2019				
35						

Approved by Board Order:
Effective from: November 1, 2019
Date Implemented: November 1, 2019

Supersedes Board Order: 102/19
Supersedes: August 1, 2019 Rates

Centra Gas Manitoba Inc.
2019/20 General Rate Application - Reflecting Order 152/19
2019/20 Proposed Rate Riders - 2015/16 Gas Year & 2016/17 Gas Year & 2017/18 Gas Year & 2018/19 Gas Year
12-month Rate Riders (Unit Cost - to be implemented November 1, 2019)

Schedule 11.3.1
Oct 25, 2019

	<u>SGS</u>		<u>LGS</u>		<u>HVE</u>				<u>Co-op</u>			<u>MAINLINE</u>					
	Transportation	Distribution	Transportation	Distribution	Transportation	Transportation	Distribution	Distribution	Transportation	Transportation	Distribution	Distribution	Transportation	Transportation	Distribution	Distribution	
	Commodity	Commodity	Commodity	Commodity	Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	
4 \$ (Lines 6 & 13 of Schedule 11.3.0(d))																	
5																	
6 Billing Determinan																	
7																	
8 \$/10³m³	(3.257)	(0.813)	(0.699)	(0.700)	(29.625)	224.767	(1.314)	0.974					10.233	(272.866)	(2.535)		0.422
9 Rate Rider (\$/m3)	(0.0033)	(0.0008)	(0.0007)	(0.0007)	(0.0296)	0.2248	(0.0013)	0.0010					0.0102	(0.2729)	(0.0025)		0.0004
10																	
11																	
12																	
13																	
14																	
15		<u>INTERRUPTIBLE</u>			<u>SPECIAL</u>				<u>POWER STATIONS</u>			<u>SUPPLEMENTAL</u>		<u>TOTAL</u>			
16		Transportation	Transportation	Distribution	Distribution	Transportation	Transportation	Distribution	Distribution	Transportation	Transportation	Distribution	Distribution	(INCL. IN DIST COMM)			
17		Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	Commodity	Demand	Firm	Interruptible		
18 \$ (Lines 6 & 13 of Schedule 11.3.0(d))																(22,839,452)	
19																	
20 Billing Determinan																	
21																	
22 \$/10³m³	(4.396)	113.482	(7.035)	0.685			(0.150)						20.928	(1.255)	(10.972)	(13.103)	
23 Rate Rider (\$/m3)	(0.0044)	0.1135	(0.0070)	0.0007			(0.0002)						0.0209	(0.0013)	(0.0110)	(0.0131)	
24																	
25 Lump Sum Payment																	

1e

1d

1e

1d

2d