CENTRA GAS MANITOBA INC.
2015/16 COST OF GAS APPLICATION
COST ALLOCATION AND RATE DESIGN

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5.0 OVERVIEW

This Tab provides an explanation of the purpose of a Cost Allocation Study, the process used to allocate costs to customers, the results of the Cost Allocation Study and addresses rate design matters.

A Cost Allocation Study describes how the costs of serving various customer classes are identified so rates can be designed that correspond to the nature of the costs incurred. Centra's approach to Cost Allocation in this Application is consistent with past studies. As was the case in previous cost of gas filings, this Cost Allocation Study only deals with the allocation of non-Primary Gas costs. Rates for Centra's quarterly Primary Gas and Fixed Rate Primary Gas Service will not change as a result of this Application. Primary Gas rates typically change quarterly in February, May, August, and November and the rates for Fixed Rate Primary Gas are determined at the time of an offering based on a PUB approved formula.

The rates that Centra charges its customers are made up of two components: base rates and rate riders. Centra's proposed base rates reflect an estimate of non-Primary Gas costs for the Gas Year November 1, 2015 to October 31, 2016 as outlined in Tab 3. This is the basis by which Centra's Supplemental Gas, Transportation and the Unaccounted for Gas component of Distribution Base Rates included in the proposed November 1, 2015 rates (Tab 6) have been determined.

Non-Primary Gas base rates currently in effect were last established August 1, 2013 flowing from Centra's 2013/14 General Rate Application approved in Order 85/13.

Rate riders are temporary rate changes designed to either recover or refund the balances of Centra's various PGVAs and other gas cost deferral accounts. Centra last established new Non-Primary Gas rate riders on November 1, 2014 in Order 123/14. The current Supplemental Gas Rate Rider was further modified as directed by the PUB in Order

12/15. Centra's proposed rate riders reflect a forecast of non-Primary Gas deferral costs accumulated during the current Gas Year November 1, 2014 to October 31, 2015 and also reflect final balances of prior period deferrals to October 31, 2014. In this Application, Centra is also proposing to implement a 12-month rate rider to recover the remaining 50% balance in the Supplemental Gas PGVA that accumulated during the 2013/14 winter.

5.1 PURPOSE OF A COST ALLOCATION STUDY

The principal goal of the rate setting process is to establish rates for various customer classes that are fair, equitable, and not unduly discriminatory. Rates may be considered to be fair and equitable when they reflect the costs incurred to provide the service. The concept that rates should not be unduly discriminatory suggests that rates can be different for the various groups of customers provided there is a reasonable and rational basis for the difference. This difference may be the result of the nature of the service being provided or the recognition that different costs may be incurred to provide a service to different groups of customers. A Cost Allocation Study estimates the cost to provide a specific service to a class of customers.

Centra defines "cost" as the embedded or accounting cost incurred in operating the utility. Some costs may be readily identified as the responsibility of a specific customer class or service. The majority of costs dealt with in this Application are shared by various customer classes and services. Accordingly, there is a need to establish some basis to distribute those costs to the appropriate customer classes and services.

The Cost Allocation Study provides information on the total cost to serve specific customers or customer groups and also provides information on the nature of the costs, whether those costs are fixed or variable, and the factors that affect the variability of the costs. This information is beneficial in terms of determining an appropriate rate design. As such, the Cost Allocation Study provides the basic data upon which rates are based.

5.2 PROCESS OF A COST ALLOCATION STUDY

The cost allocation process is a three step sequential process consisting of functionalizing, classifying, and allocating all costs.

5.2.1 Functionalize Costs

The first step in the process is to "functionalize" the costs into broadly defined groups ("functions") which describe the purpose or function of the costs. In the case of Centra, there are six such functions, namely Production, Pipeline, Storage, Transmission, Distribution, and Onsite. The first three functions break down the expenses into costs that are incurred upstream of (or prior to) Centra's Transmission and Distribution system, and the next three functions breakdown costs that are incurred downstream or within Centra's Transmission and Distribution system. A brief description of each of these functions follows.

Upstream Functions:

Production

Production costs include the commodity costs of gas supply purchased and flowed directly to the market, including Canadian sourced supply purchased at the Alberta border plus fuel costs to transport the gas to the Manitoba receipt points, and gas supply purchased from U.S. sources. Production costs also include the cost of gas withdrawn from storage to supply the Manitoba load.

Pipeline

Pipeline costs include fixed and variable costs of transporting gas on the TransCanada Pipelines Limited ("TCPL") system from Empress, Alberta to Centra's Transmission and Distribution System, (i.e. Centra's Manitoba receipt gates).

Storage

Storage costs include fixed and variable costs of storage services, but do not include the cost of the commodity itself withdrawn from storage to supply the Manitoba load. All U.S. pipeline charges, both fixed and variable, including U.S. fuel costs, are included in this function.

<u>Downstream Functions:</u>

Transmission

Transmission costs include the capital and operating costs of Centra's high-pressure Transmission system, plus the cost of Unaccounted for Gas ("UFG") that occurs on Centra's Transmission and Distribution system. All UFG costs are allocated to the Transmission function for cost allocation purposes, in order to ensure that all customer classes are allocated their appropriate share of the UFG costs regardless of whether they are served from Centra's Transmission or Distribution system.

Distribution

Distribution costs include the capital and operating costs of Centra's high, medium, and low-pressure Distribution systems.

Onsite

Onsite costs include capital and operating costs of Centra's investment in service lines, meters, and other equipment installed on customers' premises, plus the costs of customer accounting and customer service.

5.2.2 Classifying Costs

The second step in the process is to "classify" the costs that have been functionalized. The classification process amounts to identifying the basis of the variability of the costs. For a gas utility, the variability of costs is usually classified according to the following three factors:

1. The volume of gas purchased (Commodity Related);
2. The number of customers on the system (Customer Related); or
3. The capacity requirements needed for a specific day or other time period (Capacity Related).

A brief description of each of the classification factors follows.

Commodity Related

These are costs that are directly affected (they either increase or decrease) by the volume of gas purchased.

Customer Related

These are costs that are directly affected by the number of customers attached to the system. Examples of these costs would include meters, service lines, and billing.

Capacity Related (also referred to as Demand Related)

These are costs that are directly affected by the need to meet daily peak requirements or peak requirements of other time periods resulting in contracted daily deliverability commitments on TCPL or other supply options, as well as the capacities of Centra's own Transmission and Distribution system.

5.2.3 Allocate Costs

The third and final step in the cost allocation process is to "allocate" to the various customer classes the costs that have been functionalized and classified. The classification of costs into "Commodity Related", "Customer Related", and "Capacity Related" provides broad guidelines as to how these costs should be allocated to the customer classes. Thus, if costs are classified as customer related it would be reasonable to allocate costs to the various customer classes on the basis of some form of customer numbers, such as pure number of customers, weighted customers, or seasonal customers. The same logic is applied to commodity related costs.

To allocate capacity related costs, Centra uses a "Peak and Average" allocator that recognizes the peak day, but also gives weight to the average use of the system so that all customer classes pay some portion of the capacity costs.

5.3 RESULTS OF THE COST ALLOCATION STUDY

Centra's Schedule of Rates is unbundled into the following components: Primary Gas, Supplemental Gas, Transportation, Distribution and the Basic Monthly Charge ("BMC"). All of these rates, excluding the fixed monthly charge component, contain some elements of gas costs. Accordingly, when updated gas costs are introduced into the Cost Allocation Study, all of the rates, other than the Basic Monthly Charge, require change.

A Cost Allocation Study is first prepared for base rates and correspond to the non-Primary Gas cost forecast for the period November 1, 2015 to October 31, 2016. The attached Schedules provide the numerical detail supporting the determination of base rates and are described below. Additionally, Centra prepares a Rate Rider Cost Allocation Study, the intent of which is to determine each customer class' responsibility of the various Non-Primary Gas PGVAs. The rate rider schedules attached to this Tab are described in subsequent Sections to this Tab.

Attached to this Tab are a series of schedules that provide the numerical detail supporting the base rates which correspond to the non-Primary gas cost forecast for the period November 1, 2015 to October 31, 2016. These schedules are described below.

Schedule 5.0.0 - Non-Primary Gas Unit Cost Summary for Proposed Base Rates

Schedule 5.0.0 provides an overall summary of the cost allocation process. The upper portion of the Schedule (lines 2 to 10) sets out the allocated costs in terms of:

- Upstream Demand Related;
- Upstream Commodity Related;
- Downstream Demand Related; and,
- Downstream Commodity Related.

Upstream costs are those that are incurred upstream of Centra's receipt gates. These costs (excluding Primary Gas costs) apply to all Sales Service (system supplied and Western Transportation Service ("WTS") supplied) customers but do not apply to the Transportation Service ("T-Service") customers. The T-Service customers independently arrange for transportation of their supply to the Centra receipt gates and therefore they are not responsible for the upstream costs incurred by Centra.

Downstream costs are those incurred downstream of the Centra receipt gates and are the responsibility of all of Centra's customers. For each category the costs have been further segregated or allocated into rate classes (Small General Service ("SGS"), Large General Service ("LGS"), High Volume Firm ("HVF"), Co-op, Mainline, Interruptible, Special Contract and Power Stations).

The commodity supply costs have been segregated into Primary Supply, Supplemental Supply for Firm customers and Supplemental Supply for Interruptible Class customers. Primary Supply costs are not dealt with in this Application as the quarterly Primary Gas rates are administered through the quarterly Rate Setting Methodology ("RSM") process. Similarly, the Primary Gas Overhead Rate of $0.87/103m3 which reflects the non-gas costs embedded in the Primary Gas Rate was previously established in Order 85/13 and is not dealt with in this Application.

Lines 15 to 21 of Schedule 5.0.0 set out the Billing Determinants for each rate class for the period April 1, 2015 to March 31, 2016. The Billing Determinants are either demand billing units, (peak use per day in 10_3m^3/day), commodity units or annual consumption (in 10^3m^3). The upstream billing determinants include all customers except T-Service customers. The downstream billing determinants include annual billing demand, volume and customer numbers for all customers in each class regardless of the service provided.

Lines 26 to 32 show the resulting unit charges by rate class to be embedded in the new base rates. Again, the upstream charges for a particular rate class apply to all customers, excluding the T-Service customers in that rate class. The downstream charges for a particular rate class apply to all customers including T-Service customers in that rate class. The charges are either demand charges ($/$10^3m^3$/day), commodity charges ($/$10^3m^3$), or customer charges ($/customer/month). Note that none of the upstream costs are customer related, i.e. costs that vary directly with the number of customers billed, and therefore no upstream costs have been allocated to the customer category.

Line 23 of Schedule 5.0.0 indicates a Percent in Demand Charge. This refers to the approved rate design methodology whereby for certain rate classes, some (or all) demand related costs are not recovered in the demand charge but are instead recovered as part of the commodity charge. For example for the SGS and LGS rate classes, all of the demand related costs are transferred to the commodity category and recovered in their respective commodity charges. For the HVF and Interruptible rate classes, 35% of the demand related costs are transferred to the commodity category and recovered in their respective commodity charges. The remaining 65% of demand costs are recovered in the respective demand charges. Finally for the Co-op, Mainline, and Power Stations 100% of the demand related costs are recovered in the demand charge and no costs are transferred to the commodity category.

Schedule 5.1.0 – Non-Primary Gas Unit Cost Summary for Previous Base Rates

This schedule parallels Schedule 5.0.0 except that it represents the unit gas costs embedded in the current Non-Primary Gas base rates effective August 1, 2013.

Schedule 5.2.0 - Functionalization of Non-Primary Gas Costs for Forward Period November 1, 2015 to October 31, 2016

The first step in the cost allocation process is to separate the gas costs into the functional categories of Production, Pipeline, Storage, Transmission, Distribution and On-site. Schedule 5.2.0 shows this functionalization. The end result is that $84.9 million non-Primary Gas costs have been placed in these functional categories. The balance of $128.0 million is identified as Primary Gas costs, which when added equal the total 2015/16 gas cost forecast of $212.8 million as outlined in Tab 3.

Schedule 5.3.0 - Classification of the Functionalized Costs for Forward Period November 1, 2015 to October 31, 2016

The second step in the allocation of gas costs is to provide a further breakdown of the costs by function from Schedule 5.2.0 into demand or volume components. This is referred to as the classification of the functionalized costs. For example, all of the Production function costs vary with the volume consumed and are therefore classified as volume related (total of $25.4 million). A significant portion of the Pipeline and Storage function costs are classified as demand type costs ($56.6 million). A portion of the Storage function costs are storage withdrawal costs which are volume related. These are classified as commodity type charges ($2.9 million).

Note that none of the gas costs are classified as customer related, i.e. costs that vary directly with the number of customers billed. Also, gas costs are not included in the Distribution or on-site function.

Schedules 5.4.0 – 5.4.7 - Allocation of Gas Costs By Function and Classification to Rate Classes for Forward Period November 1, 2015 to October 31, 2016

The third step in the cost allocation process is to take each cost function by cost classification and allocate those costs to the appropriate rate class. For example, Supplemental supply costs (less UFG) total $23.3 million, as shown on Schedule 5.2.0 line 26. These costs have been assigned to Supplemental Firm and Supplemental

Interruptible rate classes based on an analysis of the monthly load curves which depict how the firm and interruptible customer classes are forecast to be served by Supplemental Gas sources. The load curves and supply make-up are depicted for a normal year pattern of daily requirements. As a second example, Pipeline Capacity costs total $38.5 million which is allocated among the rate classes based on a peak and average allocator.

Summary of Cost Allocation Study Results

As shown in the table below, Centra is proposing to recover a total of $84.9 million in Non-Primary Gas costs through base rates to be effective November 1, 2015. Currently, Centra's rates are recovering $73.5 million as approved in Order 85/13.

Figure 5.1

Non-Primary Gas Costs	Approved 2013/14 GRA	Proposed 2015/16 COG	Inc/(Dec)
Transportation	48,233.1	59,229.6	10,996.6
Distribution	2,412.3	2,375.5	(36.8)
Subtotal	50,645.4	61,605.1	10,959.8
Supplemental Gas	22,866.0	23,257.0	391.0
Total Non-Primary Gas Costs	73,511.4	84,862.1	11,350.8

A summary of the allocation results by customer class for the 2015/16 Gas Year compared to Non-Primary Gas Costs embedded in current rates flowing from Centra's 2013/14 General Rate Application is provided in the table below.

Figure 5.2

Non Primary Gas Cost Allocation by Class	Approved 2013/14 GRA	Proposed 2015/16 COG	Inc/(Dec)
SGS	25,666.4	30,838.4	5,172.0
LGS	18,434.6	22,781.2	4,346.6
HVF	4,147.0	6,506.3	2,359.4
CO-OP	9.7	11.6	1.9
ML	563.7	305.1	(258.6)
SC	92.7	91.0	(1.7)
GS	124.7	126.5	1.8
INT	1,606.5	945.0	(661.5)
Subtotal	50,645.4	61,605.1	10,959.9
Supplemental Firm	20,985.9	21,802.0	816.1
Supplemental Interruptible	1,880.1	1,455.0	(425.1)
Total Non-Primary Gas Costs	73,511.4	84,862.1	11,350.9

The majority of the base rate increase relates to increased Transportation Tolls discussed throughout this Application. The SGS and LGS customer classes, given their size in terms total energy and also contribution to peak demand, bear the most significant responsibility for increased Transportation costs, although proportionately consistent compared with total allocated costs from that embedded in current rates. The movement of Interruptible customers ("INT") to the High Volume Firm class ("HVF") since base rates were last established on August 1, 2013, results in a corresponding shift of load and, therefore costs, from the Interruptible to High Volume Firm Class. The sizeable reduction in allocated costs to the Mainline Class ("ML") results in movement of customers from Sales to T-Service.

5.4 NON-PRIMARY GAS RATE RIDERS

5.4.1 Current Rate Riders

Centra has a number of non-Primary Gas cost rate riders that are currently recovering an approximate $996,016 balance over a 12-month period between November 1, 2014 October 31, 2015, the details of which are identified in Schedule 4.1.1. Additionally, in accordance with Order 123/14, Centra implemented a Supplemental Gas rate rider on November 1, 2014 to collect 50% of the then forecast Supplemental PGVA balance of $46.7 million over a 24-month period. Subsequently, in Order 12/15, the PUB directed an amended Supplemental Gas rate rider be implemented February 1, 2015 designed to accelerate the collection of the $23.3 million Supplemental Gas balance over the 9-month period from February 1, 2015 to October 31, 2015.

5.4.2 Allocation of Non-Primary Gas Deferral Accounts

The balances in the various PGVAs arise as a result of the differences between the gas cost inflows and the offsetting WACOG outflows for the gas year. The PGVA balances include actual carrying costs up to February, 2015 and forecast carrying costs for the months of March, 2015 through October, 2015. The process of allocating the resulting balances among the rate classes is accomplished by first allocating the cost inflows to each rate class (i.e. the cost responsibility of each rate class), and then identifying what portion of the WACOG outflows was (or is projected to be) "paid for" by each rate class over the gas year. The allocation of the non-Primary Gas deferral accounts is consistent with past methodology.

In this Application Centra is proposing to recover $35.4 million of non-Primary Gas deferral accounts (Schedule 3.11.0 line 33). This balance includes the remaining 50% Supplemental PGVA balance of $22.2 million forecast to October 1, 2015.

The $13.2 million in Centra'snon-Primary Gas cost deferrals are driven primarily from increases related to TCPL Mainline costs as discussed in Tab 3 of this Application. This balance also reflects a $1.5 million Supplemental Gas cost residual balance forecast to accumulate during the 2014/15 Gas Year. For the purposes of rate determination discussed further in Tab 6, the 2014/15 Supplemental Gas deferral balance has been severed from the Supplemental Gas balance that accumulated during the 2013/14 Gas Year.

The allocation results are summarized on Schedule 5.5.0. Lines 2 to 14 of Schedule 5.5.0 address PGVA cost inflows and WACOG outflow amounts that are related to fixed costs. Lines 21 to 36 of Schedule 5.5.0 address PGVA cost inflows and WACOG outflow amounts that are related to variable costs.

For each item, the total allocated cost components in Schedule 5.5.0 can be tied to the summation of the 2014/15 Gas Year deferral balances contained in Schedule 3.11.0 of Tab 3, as identified in the bottom portion of Schedule 5.5.0. The table below summarizes the allocation of the non-Primary Gas cost deferrals of $13.2 million by customer class as well as a forecast recovery by customer class of the remaining Supplemental Gas PGVA balance that accumulated during the 2013/14 winter:

Figure 5.3

2014/15 Gas Year Deferrals	Total	SGS	LGS	HVF	Mainline	INT	SC	PS
Balances by Rate Class ($000's)								
Proposed Nov 1/2015	13,155.0	6,670.4	5,224.4	526.9	117.7	266.5	276.7	72.4

Prior Period Supplemental Gas PGVA	Total	SGS	LGS	HVF*	Mainline	INT	SC	PS
Balances by Rate Class ($000's)								
Proposed Nov 1/2015	22,200.0	10,859.5	8,419.7	2,403.8	248.1	269.0	0.0	0.0

* The High Volume Firm class reflects forecast revenue collection of former Interruptible customers who migrated to the HVF Class subsequent to the 2013/14 accumulated Supplemental PGVA.

5.5 RATE DESIGN MATTERS

A description of Centra's rate design by customer class is provided below.

SGS customers and LGS customers pay a two-part rate consisting of a BMC and Volumetric Charges. The BMC is proposed to remain at $14 per month for SGS and $77 per month for LGS. The BMC does not recover all of the customer related costs for the SGS or LGS classes. All customer costs in excess of those collected in the BMC, plus all capacity and commodity related costs are recovered in the Volumetric Charges for the SGS and LGS classes respectively.

The HVF, Co-op, Mainline, Power Stations and Interruptible classes are billed using a three-part rate design. This rate design includes a BMC, Monthly Demand Charge components and Volumetric (commodity) Charge components. The BMC for these classes recovers 100% of the customer related costs determined for each respective class in the Cost Allocation Study. The Monthly Demand Charge for the HVF and Interruptible classes recovers 65% of the capacity or demand-related costs determined in the Cost Allocation Study. The remaining 35% of capacity costs are added to the commodity costs and recovered through the Volumetric Charges. The Co-op, Mainline and Power Stations class include a Monthly Demand Charge that recovers 100% of the capacity or demand-related costs and Volumetric Charges equal to 100% of commodity related costs.

The Special Contract class pays a two-part rate, with 100% of the customer related and capacity related costs recovered through the Basic Monthly Charge. The Volumetric Charge recovers 100% of the commodity-related costs allocated to the class which is predominantly the cost of UFG.

5.5.1 Rate Design Results

In this Application, Centra is proposing to recover all PGVA balances over the 12-month period from November 1, 2015 to October 31, 2016. In late summer 2014, Centra sought PUB approval to dispose of the approximate $47 million Supplemental PGVA that accumulated during the 2013/14 winter over a 24-month period to moderate the impacts on customer bills. Order 123/14 approved a recovery of 50% of this balance over a 24-month period beginning November 1, 2014. In Order 12/15, the PUB directed that this 50% recovery be accelerated and collected by October 31, 2015. In this Application, Centra is proposing to return to its traditional 12-month disposal practice for the remaining 50%, which gives reasonable consideration to:

1. The modest bill impacts that flow from this entire Application;
2. The minimal growth in new Supplemental Gas balances;
3. Reducing carrying costs on the PGVA balance that must ultimately be recovered from customers; and

The remaining 50% of the Supplemental Gas PGVA balance deferred by the PUB in Order 123/14 has been updated to reflect the final balance at October 31, 2014, a forecast of the revenue to be generated through current rates and carrying costs forecast to October 31, 2016. The table below provides a summary of these balances.

Figure 5.4

Calculation of Prior Period Supplemental Gas Rate Rider - 2015/16 COG Application

1				
2		Total	Firm	Interruptible
3	Supplemental Gas Cost PGVA owing to Centra (Nov 1, 2014 Interim Application)	$46,687,968	$45,921,270	$766,698
4	Less: Supplemental PGVA variance to Oct 31/2014	($546,350)	($629,816)	$83,466
5	Supplemental Gas PGVA balance to be recovered as of Oct 31, 2014	$46,141,618	$45,291,454	$850,164
6	Forecast collection of approved Supplemental Gas Balance Nov 1, 2014 to Oct 31, 2015	($24,560,914)	($24,170,108)	($390,806)
7	Remaining Supplemental Gas PGVA balance to be recovered Nov 1, 2015 to Oct 31, 2016	$21,580,704	$21,121,346	$459,358
8	Plus Carrying Costs Nov1/15 to Oct31/16	$619,335	$606,152	$13,183
9	Prior Period Supplemental Gas PGVA balance with CC to be recovered Nov 1, 2015 to Oct 31, 2016	$22,200,039	$21,727,498	$472,541
10				
11	Volumes Nov1/2015 - Oct31/16 (10^3m^3)	1,397,172	1,318,705	78,467
12				
13	Prior Period Supplemental Gas Rate Rider ($/$10^3m^3$)		$ 16.48	$ 6.02
14	($/$m^3$)		$ 0.0165	$ 0.0060

The Supplemental PGVA has been segregated between Firm and Interruptible service based on an analysis of the daily load distribution and resulting Firm and Interruptible supplemental requirements compared to actual billings. The balance that accumulated during the 2013/14 winter was almost entirely driven by the energy consumption of Firm service customers. Interruptible customers experienced curtailment and were offered Alternate Supply Service during the majority of the period during which these cost deferrals were accumulated. Centra proposes to continue the current rate rider treatment for Interruptible customers. Interruptible customers that migrate to Firm service on or after May 1, 2014 will continue to be responsible for the Interruptible Supplemental Gas rate rider instead of paying the Firm Supplemental Gas rate rider. These customers availed themselves of Alternate Supply Service from Centra and paid the actual cost of gas as incurred throughout the period of the Supplemental PGVA accumulation to which they did not contribute. Centra also intends that this rate treatment will only be applicable to the material Supplemental Gas PGVA that accumulated during the 2013/14 winter. Similarly, other large volume Firm customers who may elect T-service will continue to be obligated to pay for the 2013/14 Supplemental PGVA balance and those who may be T-Service and elect system supply of WTS service will continue to be exempt.

For purposes of the determination of the Firm Supplemental Gas rate rider, Centra has adjusted the volume and demand forecast to reflect the migration of customers, in large part from the Interruptible to HVF Classes. Centra has done so to align the determination of the rate rider with its anticipated recovery.

Centra intends to recover the 2014/15 Supplemental PGVA, as well as the remaining 50% of the prior period Supplemental Gas PGVA balance, through a rate rider applied to the Distribution (to Customer) charge for all customer classes as it has done on several occasions in the past, in accordance with the approval received from the PUB in Order 131/04. This practice is used as Supplemental Gas volumes are more prone to variation during the year (and from year to year) as these volumes are more susceptible to weather fluctuations.

For the Special Contract class, a total residual of $276,176 is to be collected as shown on Schedule 5.1.0. This balance is primarily driven from differences in heating values as well as UFG. Similarly, a total residual of $72,432 (primarily driven by differences in UFG) is to be collected from the Power Stations. Consistent with past practice and assuming PUB approval of the rate riders flowing from this Application, Centra will collect these residuals as lump sum payments in November 2015.