

Order No. 161/19

**CENTRA GAS MANITOBA INC.:
2019/20 GENERAL RATE APPLICATION
APPROVAL OF RATE SCHEDULES EFFECTIVE NOVEMBER 1, 2019**

October 31, 2019

BEFORE: Larry Ring, Q.C., Panel Chair
Marilyn Kapitany, B.Sc.(Hon), M.Sc., Member
Carol Hainsworth, C.B.A., Member
Susan Nemec, FCPA, FCA, Member
Michael Watson, Member

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1.0 Summary

By this Order, the Public Utilities Board of Manitoba (“Board”) approves revised rates for the sale of natural gas by Centra Gas Manitoba Inc. (“Centra”) effective November 1, 2019.

This Order addresses two separate matters before the Board. Arising from Centra’s 2019/20 General Rate Application (“GRA”), the Board reviews and approves the rate schedules filed by Centra in its October 25, 2019 compliance filing pursuant to the Board’s directives in Order 152/19. In addition, the Board reviews and approves Centra’s Application to amend the Primary Gas rate effective November 1, 2019. Together, these approvals result in new consumer rates for the sale of natural gas by Centra for November 1, 2019.

First, on October 11, 2019, following a public hearing process into Centra’s 2019/20 GRA, the Board issued Order 152/19, denying Centra’s Application. In Order 152/19, among other directives and findings, the Board approved a non-gas revenue requirement for Centra in an amount approximately \$4.2 million lower than sought by Centra. In the same Order, the Board also directed Centra to discontinue the funding of the Furnace Replacement Program and refund the approximately \$17.7 million surplus balance in the fund to customers in the Small General Service class, which includes residential customers.

The Board has reviewed Centra’s compliance filing and rate schedules included therein and finds that they properly reflect the direction set forth in Order 152/19.

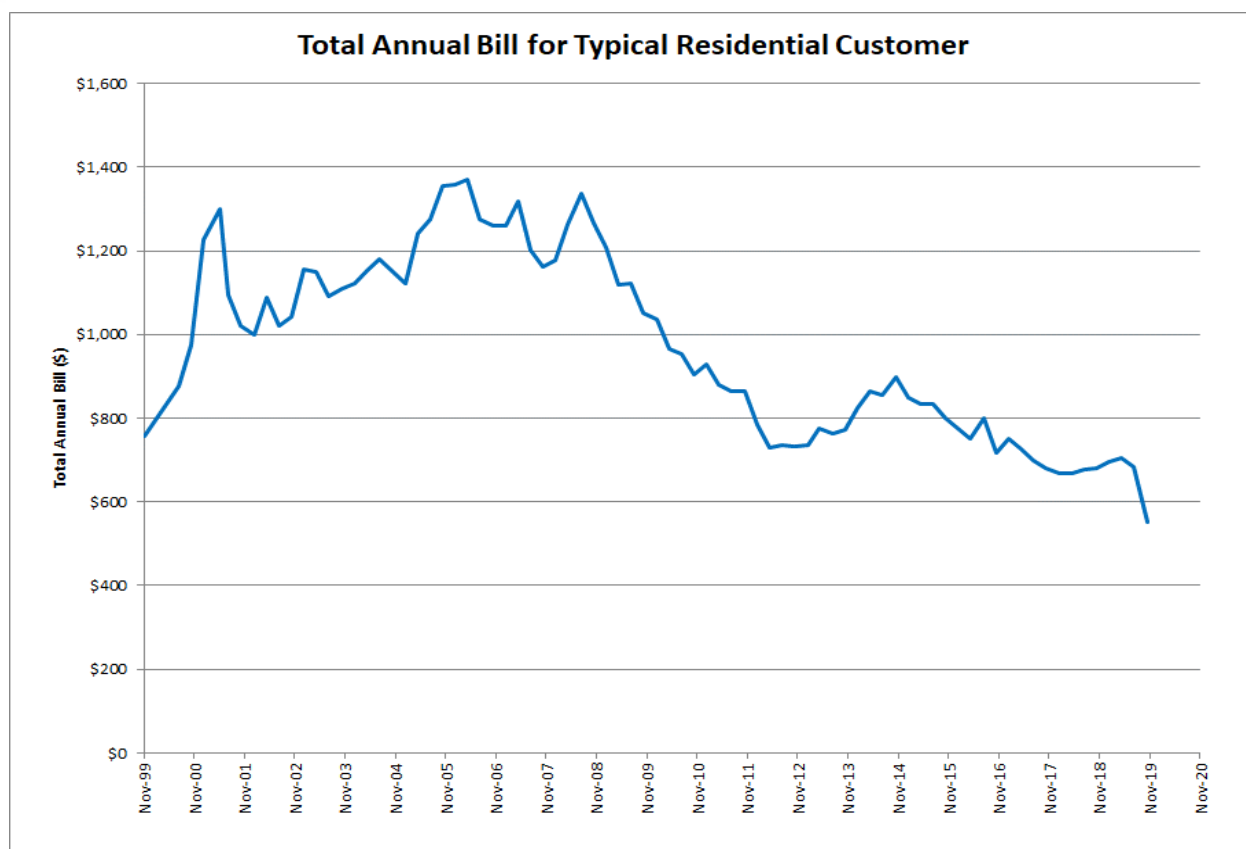
Second, on October 15, 2019 and subsequently as updated on October 25, 2019, Centra filed its regular quarterly Application to amend the Primary Gas rate. By this Application, Centra seeks to increase the current Primary Gas rate from \$0.0852/m³ to \$0.0910/m³ effective November 1, 2019. Primary Gas is a pass-through cost, meaning that Centra charges customers only what Centra pays for Primary Gas and does not make a profit on its sale.

The projected annualized bill impacts of all proposed changes effective November 1, 2019 on the various customer classes are as follows:

Customer Class	Annualized <u>Billed</u> Rate Change Increase (Decrease)
Small General Service	(23.4%) – (14.4%)
Large General Service	(4.9%) – (3.4%)
High Volume Firm (Sales Service)	(22.6%) – (7.1%)
High Volume Firm (Transportation Service)	11.6% – 18.5%
Mainline (Sales Service)	(22.8%) – (14.3%)
Mainline (Transportation Service)	(2.4%) – 21.1%
Interruptible	(16.5%) – (6.5%)

The combined impacts of the Primary Gas rate change and the Order 152/19 decisions result in a number of customer classes receiving annual bill decreases. The bill decreases arise largely as a result of decreases in the market price of gas and pipeline transportation, decreased interest rates, and the implementation of 12-month rate riders that will refund amounts paid by customers in excess of the actual costs of gas since the 2015/16 Cost of Gas proceeding.

For the Small General Service class, significant annual bill decreases also arise as a result of the Board's directives respecting the Furnace Replacement Program. For a typical residential customer, the combined impact of the Primary Gas rate and the changes flowing from Order 152/19 is an annual bill decrease of 18.7% (or \$127) per year. The graph below details the total annual bill for a typical residential customer dating to November 1999 and includes the rates that will be effective November 1, 2019 as a result of this Order.



Other customers, specifically Transportation Service customers in the High Volume Firm and Main Line classes, the Special Contract class, and the Power Station class will experience annual bill increases. For the Transportation Service customers in the High Volume Firm and Main Line classes, the increase is primarily due to the effect of reversing the bill decrease that the classes received in 2017, per Order 79/17. For the Special Contract class, the increase is driven by an increase in non-gas costs allocated to the class, primarily arising from an increase in Centra's recent investments in its Transmission plant; however, this increase is mitigated by the Board's directives in Order 152/19. The increase to the billed rates for the Special Contract class is less than half the increase proposed by Centra in the GRA.

By this Order, the Board directs Centra to inform customers in all rate classes of the rate changes approved in this Order and the resulting bill impacts. Furthermore, Centra is to inform customers of the potential for significant bill impacts, potentially in the opposite direction, once the rate rider refunds approved in this Order expire in the future.

The billed rate impacts that will be experienced by customers include temporary refunds of a significant magnitude attributed to rate riders and the surplus Furnace Replacement Program funds. These refunds will be returned to customers over the next year and then will cease. Customers may at that time perceive that their rates have increased because they will no longer be receiving the benefit of the rate rider refunds.

If no temporary refunds had been applied to consumer rates, customer class rates would have changed only as shown in the table below.

Customer Class	Annualized Rate Change Without Rate Riders Increase (Decrease)
Small General Service	(7.5%) – (4.6%)
Large General Service	0.8% – 1.1%
High Volume Firm (Sales Service)	(1.6%) – (0.4%)
High Volume Firm (Transportation Service)	18.1% – 26.3%
Mainline (Sales Service)	(8.4%) – (3.7%)
Mainline (Transportation Service)	22.4% – 38.0%
Interruptible	(1.8%) – (1.3%)

The Board also finds that it is in the public interest to maintain, certain specific information in Centra's Order 152/19 compliance filing and Primary Gas rate Application, in confidence.

2.0 Background

Centra is a wholly-owned subsidiary of Manitoba Hydro. Centra's rates are subject to the approval of the Board pursuant to provisions of *The Public Utilities Board Act*.

The five components of natural gas rates billed to Centra's customers are:

- Primary Gas – gas that is sourced by Centra under its Western Canadian gas supply contract, which is priced quarterly by Centra, or gas purchased

by consumers from either Centra or independent gas marketers and brokers under contracts, usually for a fixed rate and a fixed term;

- Supplemental Gas - gas that is required to meet the needs of Centra's customers during periods of peak load or other seasonal requirements. Supplemental Gas is applicable to the majority of customers, whether they purchase quarterly-priced Primary Gas from Centra or fixed-rate gas through contracts;
- Transportation (to Centra) - is the cost of transporting natural gas to Manitoba, including charges for pipelines not owned by Centra and the cost of gas storage facilities, and is applicable to the majority of Centra's customers;
- Distribution (to Customer) – is the cost of delivering natural gas to a customer's home or business, including the cost of facilities and pipelines owned by Centra, as well as the operation and maintenance costs for the distribution system and a small cost component related to unaccounted-for gas;
- Basic Monthly Charge - is the cost related to customer service including meter reading and billing, as well as the cost of the service line and the meter.

Centra's Primary Gas rate is subject to quarterly amendment (February 1, May 1, August 1, and November 1). These regularly scheduled quarterly Primary Gas rate reviews occur in accordance with the Board-approved Rate Setting Methodology, which is formula-driven and relies on established accounting and rate setting conventions. Quarterly Primary Gas rate setting does not involve a public hearing, reflecting the formulaic nature of the Rate Setting Methodology and furthering the objective of least-cost regulation. Public reviews of Primary Gas rates are conducted at periodic Cost of Gas or General Rate Application hearings.

Non-Primary Gas components (Supplemental Gas, Transportation, Distribution, and the Basic Monthly Charge) of Centra's rates, for all customers including those receiving natural gas through fixed-rate contracts, are also periodically reviewed and approved by the Board. These non-Primary Gas rate reviews occur either through periodic Cost of Gas hearings, which also provides for the finalization of past interim quarterly Primary Gas rate changes, or in the context of a General Rate Application.

Centra's gas sales rates recover the Board-approved annual revenue requirement, which seeks to recover Centra's forecast gas costs and non-gas costs.

Gas costs are incurred for gas supplies, storage, and transportation, and are charged to customers without mark-up. To ensure that only the actual cost of gas, no more and no less, is passed on to customers, Centra maintains a number of Purchased Gas Variance Accounts, which record the differences between the forecast cost of gas embedded in sales rates and the actual cost of gas incurred by Centra. These differences are periodically either refunded to or collected from customers by way of rate riders that either decrease (i.e. refund to customers) or increase (i.e. recover from customers) the base sales rates and form part of the billed rates that are charged to customers.

Non-gas costs are incurred to build, operate, and maintain Centra's network of pipelines, and also include costs related to customer service, billing, and administration. Notionally, in return for investments made in its distribution assets, Centra earns a return that is periodically reviewed by the Board in the context of a GRA.

3.0 Centra's Compliance Filing

On October 25, 2019, pursuant to the findings and Directives in Order 152/19, Centra filed revised schedules of rate base, revenue requirement, rates, and bill impacts, as well as a revised version of its Schedule of Sales and Transportation Services and Rates (also known as the terms and conditions of service).

After incorporating the revenue requirement changes directed in Order 152/19, Centra's projected total revenue requirement for the 2019/20 fiscal year is \$318.1 million, or

approximately \$4.6 million lower than sought by Centra in the GRA, as shown in the table shown below.

FY2019/20 Revenue Requirement (\$000s)	Oct. 25/19 Compliance Filing
Cost of Gas	\$172,767
Furnace Replacement Program	\$933
Other Income	-\$2,255
Operating & Administration	\$58,700
Depreciation & Amortization	\$27,598
Capital & Other Taxes	\$16,811
Finance Expense	\$21,866
Other Expenses	\$10,674
Corporate Allocation	\$12,000
Net Movement in Regulatory Balances ¹	-\$4,035
Net Income	\$3,000
Total Cost of Service	\$318,059

Note 1: Net Movement reflects timing differences when expenses and revenues are recognized.

In addition, Centra's October 25, 2019 compliance filing included information supporting a 2019/20 rate base of \$642.5 million and an overall rate of return of 5.78% for 2019/20.

Given the revised 2019/20 revenue requirement arising from Order 152/19, Centra also updated its 2019/20 cost of service study, which gives rise to updated consumer rates for November 1, 2019.

Centra's October 25, 2019 compliance filing also included an update to the Heating Value Margin Deferral Account balance to include actuals up to September 30, 2019 and a forecast for October 2019. This update results in an increase of \$0.280 million owing to Centra compared to the balance provided during the GRA (which reflected actuals up to March 31, 2019).

Based on the results of its 2019/20 Cost of Service Study, Centra is proposing new Primary Gas and Supplemental Gas Overhead Rates, which recover Centra's non-gas

costs associated with procuring and managing Primary Gas and Supplemental Gas supplies. The proposed Primary Gas Overhead Rate is $\$0.95/10^3\text{m}^3$ (it is currently $\$1.64/10^3\text{m}^3$ per Order 79/17). The proposed Firm Supplemental Gas Overhead Rate is $\$1.49/10^3\text{m}^3$ and the Interruptible Supplemental Gas Overhead Rate is $\$1.50/10^3\text{m}^3$.

Similarly, Centra is seeking approval to decrease the Fixed Rate Primary Gas Service Program Cost Rate from $\$31.37/10^3\text{m}^3$ to $\$24.28/10^3\text{m}^3$. The Program Cost Rate is a component of Centra's Fixed Rate Primary Gas Service rates and applies to those customers that contract with Centra for fixed Primary Gas rates for terms of 1, 3, or 5 years.

Pursuant to Order 152/19, Centra's revised version of its Schedule of Sales and Transportation Services and Rates, which was filed on October 25, 2019, includes a revised Transportation Service balancing fee structure, as well as increased reconnection fees, meter test fees, and company labour rates.

4.0 Primary Gas Rate Application

On October 15, 2019, Centra applied to the Board for approval of the Primary Gas rate effective November 1, 2019. Centra's Application was subsequently updated on October 25, 2019 in order to incorporate the latest proposed Primary Gas Overhead Rate. The Application was filed in accordance with the Board-approved rate setting methodology. The rate setting methodology determines a Primary Gas rate based on the forecast of natural gas prices and includes several factors that reflect the costs Centra incurs in providing Primary Gas to its customers.

Centra's Primary Gas rate is based on futures prices at AECO, a major gas trading hub in Alberta. Table 1 reflects the 12 month futures price strip¹ for natural gas taken by Centra on October 2, 2019 and used in the calculation of the proposed November 1, 2019 Primary Gas rate. The futures strip prices for April 2019 and July 2019 from previous quarterly rate applications are also shown in Table 1. As seen in the table, and compared to the July 2019 futures prices, the October 2019 futures prices have generally increased.

Table 1: AECO Futures Price (Cdn\$/GJ)

(\$/GJ)	Nov/19	Dec/19	Jan/20	Feb/20	Mar/20	Apr/20	May/20	Jun/20	Jul/20	Aug/20	Sep/20	Oct/20
Apr Strip	1.6944	2.0448	2.1510	2.1524	1.7924	1.2226						
Jul Strip	1.6515	2.0898	2.1932	2.1248	1.5934	1.2561	1.0602	1.0509	1.0842			
Oct Strip	1.8795	2.1188	2.1911	2.1324	1.8818	1.6349	1.5279	1.4991	1.5118	1.5599	1.5501	1.6488

¹ A price strip is a gas price forecast for a specific period or "strip" of time based on the market prices of gas as traded on an exchange.

Table 2 summarizes Centra's Application for the quarterly Primary Gas rate effective November 1, 2019. The table shows Primary Gas rate calculations for the last year. In calculating Primary Gas rates, Centra used the Board-approved rate setting methodology.

Table 2: Current and Historical Primary Gas Rate Calculations

	Component	Costs and Proposed Rates Nov 1/18	Costs and Proposed Rates Feb 1/19	Costs and Proposed Rates May 1/19	Costs and Proposed Rates Aug 1/19	Costs and Proposed Rates Nov 1/19
1	Date of Forward Price Strip	October 1, 2018	January 2, 2019	April 2, 2019	July 3, 2019	October 2, 2019
2	Weighted Primary Gas Cost (mix of Gas Supply & Storage Gas costs)	\$2.289	\$2.091	\$2.254	\$2.047	\$2.171
3	Rate per Cubic Metre	\$0.0865	\$0.0790	\$0.0852	\$0.0774	\$0.0821
4	¹ Base Primary Rate, adding Fuel and Overhead cost component per cubic metre	\$0.0892	\$0.0816	\$0.0879	\$0.0800	\$0.0842
5	Plus (Less) Rate Rider per cubic metre	(\$0.0060)	\$0.0093	\$0.0066	\$0.0052	\$0.0068
6	Total Billed Rate (\$/m ³)	\$0.0832	\$0.0909	\$0.0945	\$0.0852	\$0.0910

Notes:

1. Compressor fuel costs are \$0.00110/m³ and overhead costs are \$0.00095/m³.

AECO futures market prices, shown above in Table 1, are weighted according to the forecasted volumes Centra expects to purchase each month that flow directly to Manitoba consumers. This weighted price includes the costs to deliver the gas from the AECO hub to Centra's receipt point at Empress, Alberta. The 12 Month Forward Price is then weighted for the average cost of gas volumes that Centra withdraws from its storage facility, and is shown in row 2 of Table 2 as the Weighted Primary Gas Cost (mix of Gas

Supply & Storage Gas costs).² The Weighted Primary Gas Cost per gigajoule is then converted to units of dollars per cubic metre (\$/m³) and is shown in row 3 of Table 2.

Centra incurs compressor fuel costs, which relate to fuel used by pipeline compressors in order to transport gas from Alberta to Manitoba. Centra also incurs overhead costs in the procurement and administration of Primary Gas supplies. The compressor fuel costs and overhead costs are added to the Weighted Primary Gas Cost to determine the Primary Gas Base Rate, which is shown in row 4 of Table 2.

Centra tracks differences between the previously approved Primary Gas rate (and its underlying gas costs) and the actual cost of purchases it incurs. The previously approved Primary Gas rate is based on a forecast of natural gas market prices, and the prices Centra actually pays usually differ from those forecasted. These differences are tracked in a Purchased Gas Variance Account (“PGVA”). When the actual cost of gas is greater than what was forecasted, a positive balance accrues in the PGVA, which is then collected from customers. When the actual cost of gas is less than what was forecasted, a negative balance accrues in the PGVA and this is refunded to customers. A Primary Gas rate rider is used to account for these differences between forecasted and actual costs of Primary Gas.

A Primary Gas rate rider recovers from or repays to customers the balance in the PGVA, with interest.³ Utilization of the PGVA and rate rider ensures that customers’ costs are adjusted so that customers are paying for the actual cost of gas with no mark-up or discount. The Primary Gas rate rider is determined by dividing the accumulated balance in the PGVA by the volumes Centra forecasts to flow in the upcoming twelve months, and

² Due to significant seasonal and daily weather and resulting demand swings in Manitoba, Centra makes use of seasonal gas storage facilities in order to optimize its gas supply portfolio costs and reliability. This includes relying partially on storing gas in the summer months and retrieving it from storage during the winter months.

³ Interest is determined based on Centra’s actual cost of borrowing, which reflects the carrying cost, to Centra, of the PGVA balance.

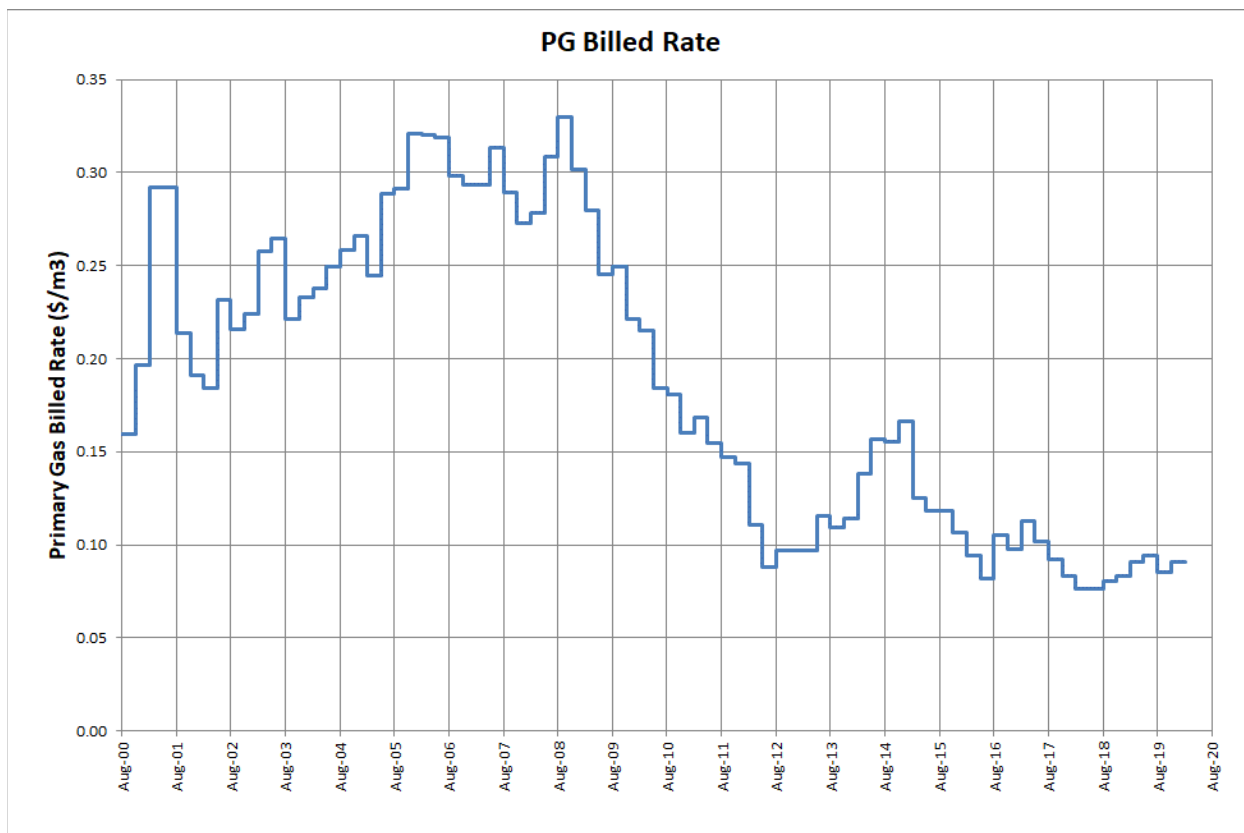
is shown in row 5 of Table 2. If the PGVA balance is not brought to zero with the rate rider, the remaining balance will be included in the calculation of future rate riders.

The Primary Gas rate rider is combined with the Primary Gas Base Rate to arrive at the Primary Gas Billed Rate, as shown in row 6 of Table 2, and this is the rate that Centra uses to calculate the bills of its Primary Gas customers.

The forecasted PGVA balance for October 31, 2019 will be collected from customers by way of a rate rider of \$0.0068/m³ resulting in a Primary Gas Billed Rate of \$0.0910/m³ as shown in row 6 of Table 2.

As part of its Application to the Board, Centra submitted that the public disclosure of parts of its Primary Gas cost forecast and Primary Gas PGVA balances could result in undue financial loss to Centra and its ratepayers, and undermine Centra's negotiating position for commodity, transportation, and storage services. This is as a result of the unlimited discretion afforded to TransCanada Pipelines Limited in establishing short-term firm and interruptible transportation tolls on the Canadian Mainline. Consequently, Centra filed a motion with the Board, pursuant to Rule 13 of the Board's Rules of Practice and Procedure, to receive certain specific information in Centra's Application in confidence.

The following chart graphically shows the Primary Gas Billed Rate from August 1, 2000 up to and including the proposed November 1, 2019 rate.



5.0 Board Findings

As detailed below, following the Board's review of Centra's Order 152/19 compliance filing and Primary Gas rate Application, the Board approves Centra's proposed rate schedules as filed. Appendix A presents the approved Base and Billed rates (including the temporary rate rider refunds), effective November 1, 2019. These approved rates give rise to significant annualized bill impacts when compared to the August 1, 2019 rates.

Order 152/19 Compliance Filing

The Board reviewed the schedules filed by Centra on October 25, 2019 and finds that they properly reflect the direction set forth in Order 152/19. The schedules in Centra's Order 152/19 compliance filing include, among other things:

- Discontinuance of the funding for the Furnace Replacement Program commencing November 1, 2019;
- The refund to only the Small General Service customer class of the estimated \$17.7 million surplus funds in the Furnace Replacement Program account, through the creation of a liability, on a volumetric basis calculated on the basis of a one-year period commencing November 1, 2019;
- Disposal of the projected balances, now totalling \$22.7 million owing to customers, in the prior period non-Primary Gas cost deferral accounts through 12-month rate riders commencing November 1, 2019;
- Disposal of the projected balance from the prior period Heating Value Margin Deferral account through 2018/19 on the basis of class non-gas volumetric revenue, except where this change in methodology would result in customer classes paying a greater refund to Centra than those classes would have paid under the current volume-based methodology;
- A projected revenue requirement for the 2019/20 fiscal year of \$318.1 million, \$145.3 million of which relates to Centra's 2019/20 non-gas cost forecast compliant with Order 152/19 (including the Furnace Replacement Program funding to October 31, 2019);

- A 2019/20 rate base of \$642.5 million and an overall rate of return of 5.78% for 2019/20;
- Updated cost of service study results for fiscal year 2019/20, which gives rise to updated rates effective November 1, 2019, including a Primary Gas Overhead Cost Rate of \$0.00095/m³, a Firm Supplemental Gas Overhead Rate of \$0.00149/m³, an Interruptible Supplemental Gas Overhead Rate of \$0.00150/m³, and Fixed Rate Primary Gas Service Program Cost Rate of \$0.02428/m³; and
- A revised version of Centra's Schedule of Sales and Transportation Services and Rates, which includes a revised Transportation Service balancing fee structure, as well as increased reconnection fees, meter test fees, and company labour rates.

Centra's compliance filing also included an update to the Heating Value Margin Deferral Account balance to include actual results up to September 30, 2019 and a forecast for October 2019, resulting in an increase of \$0.280 million owing to Centra compared to the balance provided during the GRA (which reflected actuals up to March 31, 2019). The Board reviewed the updated balance and finds that it is reasonable. The update reflects the most recent information available and is necessary to minimize uncollected residual amounts that would need to be written off as part of the elimination of the Heating Value Margin Deferral Account effective November 1, 2019.

Further to the directive to Centra in Order 152/19 to discontinue the Demand Side Management Deferral Account, the Board approves Centra's request to write off the debit and credit balances effective March 31, 2020.

The Board confirms that Centra's approved rate of return of 5.78% is to be used in the Board-approved financial feasibility test for natural gas service expansions until further Order from the Board

Consistent with the prior Orders of the Board in the course of the GRA proceeding, the Board finds that it is in the public interest for 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.

The Board is of the opinion that public disclosure of the information contained in the compliance filing could reasonably be expected to result in undue financial loss or gain to Centra and its customers who are directly or indirectly affected by the Application, or would harm significantly Centra's competitive position.

Primary Gas Rate Application

The Board finds that Centra's Application and supporting evidence of October 15 and 25, 2019 properly reflect the Board-approved rate setting methodology. The Board therefore approves Centra's Application to amend the Primary Gas rate. The Primary Gas rate will increase to \$0.0910/m³ effective November 1, 2019.

Primary Gas rate changes affect only those customers receiving quarterly-priced Primary Gas from Centra. Customers on fixed-price contracts with either gas marketers or Centra are not affected. The next review of the Primary Gas rate will take place as of February 1, 2020.

After consideration of Centra's Rule 13 Motion for confidentiality of specific information in Centra's Primary Gas Application, the Board finds that it is in the public interest to maintain that specific information in confidence. The Board is of the opinion that disclosure of the information could reasonably be expected to result in undue financial loss or gain to Centra and its customers who are directly or indirectly affected by the Application, or would harm significantly Centra's competitive position.

Customer Notification

Centra shall inform customers in all rate classes of the rate changes approved in this Order and the resulting bill impacts. As the majority of the bill decreases resulting from this Order arise from temporary refunds of amounts owing to customers, customers may perceive that they have experienced bill increases within the next year when the rate rider refunds attributed to amounts paid by customers in excess of the actual costs of gas and the Furnace Replacement Program cease. Centra is directed to inform its customers that

the full magnitude of the bill impacts and resulting reduced bills resulting from the rates approved in this Order may be temporary.

6.0 IT IS THEREFORE ORDERED THAT:

1. The Schedules of Rates attached to this Order as Appendix "A", effective for all gas consumed on and after November 1, 2019, and reflective of the Board's direction in Order 152/19 and an updated forecast of Primary Gas costs, **BE AND ARE HEREBY APPROVED** on an interim basis and shall be in effect until confirmed or otherwise dealt with by a further Order of the Board.
2. A non-gas revenue requirement of \$145.3 million (including Furnace Replacement Program funding to October 31, 2019) for the 2019/20 Test Year **BE AND IS HEREBY APPROVED**.
3. Centra is 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.
4. Centra's proposed Fixed Rate Primary Gas Service Program Cost Rate of \$0.02428/m³ **BE AND IS HEREBY APPROVED**.
5. Centra's proposed changes to the Schedule of Sales and Transportation Services and Rates, filed in response to Order 152/19, **BE AND ARE HEREBY APPROVED**.
6. Net Plant additions to rate base for the period 2013/14 through 2017/18 and forecasted for the years 2018/19 and 2019/20, as well as the 2019/20 Test Year rate base of \$642.5 million and overall rate of return of 5.78% for 2019/20 **BE AND ARE HEREBY APPROVED**.
7. Centra's request to write-off the Demand Side Management Deferral Account debit and credit balances effective March 31, 2020 **BE AND IS HEREBY APPROVED**.

8. Centra is to inform customers in all rate classes of the rate changes approved in this Order and the resulting bill impacts, including the potential for significant bill impacts once the rate rider refunds approved in this Order expire in the future.

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

THE PUBLIC UTILITIES BOARD

"Larry Ring, Q.C."
Panel Chair

"Rachel McMillin, B.Sc."
Assistant Associate Secretary

Certified a true copy of Order No. 161/19
issued by The Public Utilities Board


Assistant Associate Secretary

CENTRA GAS MANITOBA INC.
FIRM SALES AND DELIVERY SERVICES
RATES SCHEDULES (BASE RATES ONLY - NO RIDERS)

1	Territory:	Entire natural gas service area of Company, including all zones
2		
3	Availability:	
4	SGC:	For gas supplied through one domestic-sized meter.
5	LGC:	For gas delivered through one meter at annual volumes less than 680,000 m ³
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m ³
7	CO-OP:	For gas delivered to natural gas distribution cooperatives
8	MLC:	For gas delivered through one meter to customers served from the Transmission system
9	Special Contract:	For gas delivered under the terms of a Special Contract with the Company
10	Power Station:	For gas delivered under the terms of a Special Contract with the Company
11		

12	Rates:	<u>Distribution to Customers</u>				
		<u>Transportation to</u>		<u>Primary Gas</u>	<u>Supplemental 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: 161/19
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 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	\$1,042.25	\$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						

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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

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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 Gss Supply	Supplemental Gas 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						

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Effective from: November 1, 2019
Date Implemented: November 1, 2019

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