

## Schedule of Sales and Transportation Services and Rates

- Appendix A - Approved Rates
- Appendix B - Company Labour Rates
- Appendix C - Transportation Service Balancing Fees

Available in accessible formats upon request.

CENTRA GAS MANITOBA INC.

## Centra Gas Manitoba Inc.

# Schedule of Sales and Transportation Services and Rates

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**I. Territory Served**

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

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, Armstrong (R.M.)
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.), Thompson (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, Thompson (R.M.)
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.), Thompson (R.M.)
5	Minto-Odanah (R.M.)

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3

Note: See Section IV General Terms and Conditions D) 12) b) for further details on Zones.

1           **II.       Definition of Terms**

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

- 6  
7           A)     “103m<sup>3</sup>” means 1,000 Cubic Meters of gas.
- 8  
9           B)     “AECO” means the notional market point situated between the receipt  
10           and delivery marketplaces on the NOVA Gas Transmission Limited  
11           pipeline system. Also known commonly as NIT and AECO/NIT.
- 12  
13           C)     “AECO Supply” means gas procured by the Company at AECO.
- 14  
15           D)     “Agency Agreement” means an agreement between a Customer and  
16           Broker, which at a minimum, authorizes and requires the Broker to act on  
17           the Customer’s behalf with respect to natural gas service.
- 18  
19           E)     “Agency Billing and Collection Service” (or “ABC Service”) means as a  
20           service wherein the Company bills the Customer for gas sold by the Broker  
21           to the Customer.
- 22  
23           F)     “Agent” means a gas supply Broker acting on behalf of a Customer.
- 24  
25           G)     “Alternate Supply Service” means any supply or source of gas that the  
26           Company may offer from time to time, in lieu of curtailment, to Interruptible  
27           Sales Service Customers.
- 28  
29           H)     “Annual Quantity Difference” means, for purposes of Western  
30           Transportation Service, the sum of the monthly Quantity Differences for  
31           the twelve months of the Gas Year.
- 32  
33           I)     “Authorized Sales Volume” means the volume of gas which the Company  
34           agrees to sell to the Customer on a given day as specified in the Contract.
- 35  
36           J)     “Backstop Gas” means that quantity of gas agreed upon by the  
37           Company and the Broker and/or Customer which is to supplement, in

- 1 whole or in part, an impairment to gas deliveries to the Company by or for  
2 the Broker and/or Customer.  
3
- 4 K) “Base Rate” means the rate charged for a Service, not including any rate  
5 riders or other adjustment factors.  
6
- 7 L) “Basic Monthly Charge” means a fixed monthly charge that reflects a  
8 portion of the costs of being connected to the gas distribution system and is  
9 not related to the volume of gas consumed.  
10
- 11 M) “Board” means the Public Utilities Board of Manitoba.  
12
- 13 N) “Broker” also known as “Marketer” means an entity authorized by the  
14 Public Utilities Board of Manitoba to sell natural gas commodity.  
15
- 16 O) “Broker’s Gas Commodity Price” means the retail price charged by a  
17 Broker to a Customer for sales of Gas Commodity which is used by the  
18 Company to bill the Customer under ABC Service.  
19
- 20 P) “Business Day” means any calendar day exclusive of Saturdays and  
21 Sundays and exclusive of days which are statutory or legal holidays under  
22 the laws of Manitoba.  
23
- 24 Q) “Company” means Centra Gas Manitoba Inc. and its successors and  
25 assigns.  
26
- 27 R) “Contract Year” means a period of 12 or fewer consecutive months ending  
28 on October 31.  
29
- 30 S) “Contract” means, for the purposes of these Terms and Conditions of  
31 Service and the Rate Schedules into which they are incorporated, an  
32 agreement to provide service either implied, written, or oral.  
33
- 34 T) “Cubic Meter-Day” (“m<sup>3</sup>/day”) means the maximum volume of gas  
35 consumed in a single 24 hour period.  
36
- 37 U) “Cubic Meter” (“m<sup>3</sup>”) means the volume of gas which occupies one cubic

- 1 meter when such gas is at a temperature of 15.56 degrees Celsius, and at  
2 a pressure of 101.560 kilopascals absolute.  
3
- 4 V) “Customer” (or “Consumer”) shall include any person, firm, or corporation  
5 to whom gas is delivered or any other goods or services, including  
6 attachment to the system, are provided by the Company. No person, firm  
7 or corporation is a Customer in relation to services provided under a  
8 “shared services agreement” or services received in the recipient’s  
9 capacity as a Broker.  
10
- 11 W) “Day” means a period of 24 consecutive hours beginning and ending at  
12 9:00 a.m., in the time zone in which deliveries are made. The reference  
13 date for any day shall be the calendar date on which the 24 hour period  
14 shall commence.  
15
- 16 X) “Delivery”, in relation to the Company’s Delivery rate, means the  
17 transportation of natural gas to Manitoba (as applicable) and distribution of  
18 natural gas to the Customer.  
19
- 20 Y) “Delivery Point” means the location at which the Company shall deliver  
21 gas to the Customer.  
22
- 23 Z) “Delivered Service” means natural gas supply purchased by the Company  
24 under an arrangement which includes delivery of the natural gas to the  
25 Company’s transmission and distribution system.  
26
- 27 AA) “Delivery Service” means the transmission and distribution of natural gas  
28 from the Receipt Point to the designated Delivery Point for the Customer.  
29
- 30 BB) “Firm Daily Contract Demand” means the maximum volume of gas which  
31 the Company obligates itself to be ready to deliver and/or sell daily to the  
32 Customer’s Delivery Point on a Firm Service basis.  
33
- 34 CC) “Firm Service” means gas service at one Delivery Point and separately  
35 metered where the service may not be curtailed except for Force Majeure.  
36
- 37 DD) “Gas” means natural gas having a gross heating value of not less than 36

- 1 megajoules per Cubic Meter (950 Btu per cubic foot).  
2
- 3 EE) "Gas Commodity" means gas that is offered to Sales Service  
4 customers by the Company or Brokers, at an AECO-based commodity  
5 rate that is applied to their total consumption.  
6
- 7 FF) "Gas Commodity Billed" means the quantity of gas calculated to  
8 have been consumed, as rendered by the Company on bills to  
9 Customers, in accordance with the Company's practices.  
10
- 11 GG) "Gas Commodity Delivered" means the quantity of gas delivered by the  
12 Broker to the Company as part of the Western Transportation Service  
13 Agreement.  
14
- 15 HH) "Gas Loan" means the quantity of gas that must be exchanged between  
16 each individual Broker on behalf of that Broker's Customer(s) and the  
17 Company for purposes of reconciling differences between Gas  
18 Commodity Billed and Gas Commodity Delivered under Western  
19 Transportation Service.  
20
- 21 II) "Gas Loan Mechanism" means a mechanism for the exchange of Gas  
22 Commodity and financial payments between each individual Broker on  
23 behalf of that Broker's Customer(s) and the Company under Western  
24 Transportation Service.  
25
- 26 JJ) "Gas Year" means a period of 365 consecutive days beginning on the  
27 first day of November; provided however, that any such year which  
28 contains a date of February 29 shall consist of 366 days.  
29
- 30 KK) "Gross Heating Value" means the total joules expressed in megajoules  
31 per Cubic Meter (MJ/m<sup>3</sup>) produced by the complete combustion at  
32 constant pressure of one (1) Cubic Meter of gas with air, with the gas  
33 free of water vapor and the temperature of the gas, air and products of  
34 combustion to be at standard temperature and all water formed by  
35 combustion reaction to be condensed to the liquid state.  
36
- 37 LL) "Group" means a group of Customers designated by a Broker in a single

- 1 agreement under Western Transportation Service or ABC Service.  
2
- 3 MM) “Interruptible Daily Contract Demand” means the maximum volume of gas  
4 which the Company obligates itself to be ready to deliver and/or sell  
5 daily to the Customer’s Delivery Point on an Interruptible Service basis.  
6
- 7 NN) “Interruptible Service” means gas service at one point of delivery and  
8 separately metered where, at any time, the service may be interrupted at  
9 the sold discretion of the Company.  
10
- 11 OO) “Interconnect Point” means the point on the TransCanada PipeLine system  
12 or any other pipeline designated by such pipelines as their point of receipt.  
13
- 14 PP) “Joule” (“J”) is the unit of energy measured as the work done when  
15 the point of application of force of one newton is displaced a distance of  
16 one meter in the direction of the force. The terms megajoule and  
17 gigajoule means  $1 \times 10^6$  and  $1 \times 10^9$  joules, respectively.  
18
- 19 QQ) “Loan Price” means the unit price used in determining the Value of the  
20 Gas Loan included under Western Transportation Service.  
21
- 22 RR) “Maximum Daily Quantity” means the maximum quantity of gas that the  
23 Company will nominate on behalf of a Customer from the Customer’s  
24 supplier for Gas Commodity supply on a given day. The Maximum Daily  
25 Quantity may be more than the Customer’s Firm Daily Contract Demand.  
26
- 27 SS) “Medium Pressure” means the pressure that the Company utilizes in its  
28 distribution system that is no greater than 60 pounds per square inch.  
29
- 30 TT) “Month” means the period beginning at 9:00 a.m. on the first Day of the  
31 calendar month and ending at the same hour on the first Day of the next  
32 succeeding calendar month.  
33
- 34 UU) “Monthly Billing Demand” means the highest daily consumption measured  
35 in Cubic Meters on any given day of the month, provided the month is a  
36 Winter Month, or in any Winter Month of the preceding eleven months.  
37 For Customers without twelve months of demand billing data, the Monthly

- 1 Billing Demand may be estimated or otherwise specified by the Company.  
2
- 3 VV) “Monthly Demand Change” means a monthly charge that reflects the  
4 Customer’s use of the capacity of the system. The Monthly Demand  
5 Charge is calculated as the Monthly Billing Demand for the month  
6 multiplied by the applicable unit demand rate.  
7
- 8 WW) “Nominated Volume” means the quantity of gas expressed in gigajoules  
9 which the Customer has arranged to deliver to the Receipt Point, and the  
10 Company has agreed to receive, in a given day.  
11
- 12 XX) “Non-AECO Supply” means gas procured by the Company at non-AECO  
13 locations, exclusive of Alternate Supply provided to Interruptible  
14 Customers, to meet aggregate Sales Service demand. The cost  
15 differential between the Company’s AECO Supply costs and Non-AECO  
16 Supply costs is recovered from (or refunded to) all Sales Service  
17 customers in a rate rider embedded in the Delivery billed rate.  
18
- 19 YY) “Normal Year Gas Requirements” means the annual gas requirements that  
20 would be required under weather conditions determined from a 25-year  
21 rolling average as calculated from time to time by the Company.  
22
- 23 ZZ) “Premises” means the location specified in an application for service, or  
24 such other location to which the Company delivers gas.  
25
- 26 AAA) “Quantity Difference” means the difference between the Gas Commodity  
27 Delivered and the Gas Commodity Billed under Western Transportation  
28 Service expressed in either Cubic Meters or Gigajoules.  
29
- 30 BBB) “Receipt Point” means the interconnection between the Company’s  
31 transmission and distribution system and TransCanada PipeLines  
32 transmission system.  
33
- 34 CCC) “Sales Service” means gas service in which the Company procures gas  
35 quantities to satisfy the Customer’s gas requirements.  
36
- 37 DDD) “Service Line” means that portion of the Company’s distribution system

- 1 used for the delivery of gas from the main to the inlet side of the meter  
2 assigned to the Customer.  
3
- 4 EEE) “Standard Pressure” means an absolute pressure equal to 101.560 kPa at  
5 15.56 degrees Celsius.  
6
- 7 FFF)  
8
- 9 GGG) “TransCanada” means TransCanada PipeLines Limited.  
10
- 11 HHH) “Transportation Service (T-Service)” means transmission and/or  
12 distribution of Customer-owned gas on the Company’s system as defined  
13 in the Contract between Customer and the Company.  
14
- 15 III) “Unauthorized Over-Run Gas” means:  
16 a) any and all quantities of natural gas consumed by an Interruptible  
17 Class Customer during a period of time that the Company has curtailed  
18 service to that customer, and during which that Customer is not receiving  
19 Alternate Supply Service, and/or;  
20 b) any and all quantities of natural gas consumed by a Customer of a  
21 Broker that has failed to supply their requirements, during a period of time  
22 that the Company has curtailed service to that Customer because the  
23 Company is unable to acquire Backstop Gas.  
24
- 25 JJJ) “Unauthorized Over-Run Gas Charge” means a volumetric charge per  
26 cubic metre for the procurement and supply of Unauthorized Over-run Gas  
27 consumed by a Customer.  
28
- 29 KKK) “Unauthorized Over-Run Gas Delivery Charge” means a delivery charge  
30 per cubic metre for Unauthorized Over-run Gas consumed by a Customer.  
31
- 32 LLL) “Value of the Gas Loan” means the amount of money equal to the quantity  
33 of the Gas Loan multiplied by the Loan Price as part of Western  
34 Transportation Service.  
35
- 36 MMM) “Volumetric Charge” means a charge based on the volume of natural gas  
37 measured over an extended period of time, such as a monthly billing

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period.

NNN) “Winter Month” means the months of November, December, January, February, and March.

OOO) “Year” means a period of 365 consecutive days; provided however, that any such year which contains a date of February 29 shall consist of 366 days.

1           **III. Description of Available Rates and Services**

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

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

13  
14          **Sales Service** is a service in which the Company procures and manages gas  
15          supplies, and arranges the delivery of those supplies to the Customer. Sales  
16          Service consists of three distinct parts: Gas Commodity; Transportation to Centra;  
17          and Distribution to Customer. Sales Customers may choose to purchase **Gas**  
18          **Commodity** from either the Company or an alternative supplier. The Company  
19          procures Non-AECO Supply to meet the aggregate demand of all Sales  
20          Customers. **Transportation to Centra** include the management of all  
21          gas, including transportation to Manitoba, and **Distribution to Customer**  
22          includes the management of all gas on Centra's system and delivery of that  
23          gas to Customers. Transportation to Centra and Distribution to Customer  
24          components are combined in a single **Delivery rate** on customers' bills.

25  
26          **Transportation Service** ("T-Service") allows a Customer to procure and deliver  
27          its own natural gas supplies to the Company's Receipt Point. The Company's T-  
28          Service is the agreement under which the Company delivers that natural gas  
29          from the Receipt Point to the Customer's facility. Special Terms and Conditions  
30          of Transportation Service are covered in Section V.

31  
32          Sections IX and X set out the specific rates for both Sales Service and T Service.

33  
34          **A) Optional Service Offerings:**

35  
36                  **1) Western Transportation Service**

37                  The Company manages and delivers Broker-provided Gas Commodity

1 from AECO to the Customer's facility. The Company then delivers this gas  
2 to the Customer or otherwise as appropriate. An Agency Agreement  
3 between the Customer and the Broker, and a separate Western  
4 Transportation Service Agreement between the Customer, the Broker and  
5 the Company are required to take this service, which may be executed on  
6 behalf of the Customer by the Broker as the Customer's agent. Western  
7 Transportation Service is subject to the Special Terms and Conditions as  
8 set forth in Section VII hereof. Western Transportation Service Customers  
9 are eligible for Alternate Supply Service and Backstopping Service as  
10 described in the Optional Service Offerings provided herein.

11  
12 Agency Billing and Collection ("ABC") Service is offered in conjunction  
13 with Western Transportation Service. ABC Service allows the Company to  
14 bill the Customer for Gas Commodity on behalf of the Broker, using the  
15 Broker's Gas Commodity Price. The Customer makes a single payment to  
16 the Company.

17  
18 **2) Alternate Supply Service**

19 The Company may provide, on a best efforts basis, Alternate Supply  
20 Service on an interruptible basis to Interruptible Customers requesting  
21 such service, who otherwise would be interrupted by the Company for  
22 supply reasons. Alternate Supply Service may be arranged by the  
23 Company at prices in accordance with the provisions of Section VI hereof.

24  
25 **3) Backstopping Service**

26 The Company may provide Backstopping Service, if requested, on a best  
27 effort basis to T- Service and Western Transportation Service Customers  
28 whose gas supply fails or cannot be delivered to the Company's  
29 distribution system.

30  
31 **4) Short Term Interruptible Transportation Service**

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

37

1           **B) Service Offerings by Service Classification:**

2  
3           Customers are classified as either Small General Class, Large General Class,  
4           High Volume Firm Class, Interruptible Class, Mainline Class, Special Contract  
5           Class or Power Station Class.

6  
7           **1) Small General Class (“SGC”)**

8           While meter size does not determine which class a Customer is in, SGC  
9           Customers, as general guide, receive gas through one meter of the type  
10           and capacity typically installed for individual residences. Sales Service  
11           and the Optional Service offerings associated therewith are the only  
12           services available to these Customers. T- Service is not available. Service  
13           is on a firm basis and the charges include a Basic Monthly Charge, a Gas  
14           Commodity charge, and a Delivery charge as described in Sections IX and  
15           X of this Schedule of Sales and Transportation Services and Rates. All  
16           Customers with annual consumption of less than 680,000 m3 are eligible  
17           for this rate.

18  
19           Customers that are eligible for this class may elect to be reclassified as  
20           Large General Class instead, however, that election will remain in effect  
21           until a subsequent election is made and each election must remain  
22           effective for a minimum of one year.

23  
24           Customers in this class are eligible for Western Transportation Service as  
25           described in the Optional Service Offerings as provided herein.

26  
27           **2) Large General Class (“LGC”)**

28           While meter size does not determine which class a Customer is in, LGC  
29           Customers, as a general guide, receive gas through one meter of the type  
30           and capacity not commonly installed for individual residences. These  
31           Customers receive Firm Sales Service; T- Service is not available. The  
32           charges include a Basic Monthly Charge, a Gas Commodity charge, and a  
33           Delivery charge as described in Sections IX and X of this Schedule of  
34           Sales and Transportation Services and Rates. All Customers with annual  
35           consumption of less than 680,000 m3 are eligible for this class. Customers  
36           who are eligible for this class may elect to be reclassified as SGC. That  
37           election, however, will remain in effect until a subsequent election is made

1 and each election must remain effective for a minimum of one year.

2  
3 Sales Customers in this class are eligible for Western Transportation  
4 Service as described in the Optional Service Offerings provided herein.

5  
6 At the discretion of the Company in order to facilitate connections of new  
7 customers on capacity-constrained areas of Centra's system, it may  
8 require an LGC Customer to enter into a Modified LGC Contract  
9 ("Modified LGC") for a new service. The modified contract allows the  
10 company to physically turn off the supply of gas to the LGC Customer  
11 during the winter peak period of December 1st through to March 31st. To  
12 be eligible to enter into Modified LGC Contract, the LGC Customer is  
13 required to have a dedicated meter facility separate from other customer  
14 gas loads that require year-round consumption. Customers entering into a  
15 Modified LGC Contract will continue to be charged the Basic Monthly  
16 Charge during the shut-off period.

17  
18 **3) High Volume Firm ("HVF") Class**

19 HVF Customers receive gas on a firm basis through one meter,  
20 where annual consumption equals or exceeds 680,000 m<sup>3</sup>. These  
21 Customers may elect to receive either Firm Sales Service or Firm  
22 Transportation Service. The charge include a Basic Monthly Charge, a  
23 Monthly Demand Charge, a Gas Commodity charge, and a Delivery  
24 charge as described in Sections IX and X of this Schedule of Sales and  
25 Transportation Services and Rates. Customers desiring this service must  
26 execute a binding agreement with the Company with a minimum term of  
27 one year. Any change in classification from HVF Class to Interruptible  
28 Class shall be at the consent of the Company. Sales Customers in this  
29 class are eligible for Western Transportation Service as described in the  
30 Optional Service Offerings provided herein. Transportation Service  
31 Customers in this class are eligible for Backstopping Service as  
32 described in the Optional Service Offerings provided herein.

33  
34 **4) Interruptible Class ("IC")**

35 Interruptible Customers receive gas through one meter where the service  
36 may be interrupted by the Company from time to time upon notice to the  
37 Customer. Interruptible Service is available only in situations where, in the

1 sole opinion of the Company, a benefit exists for the Company or other  
2 Customers. Interruptible Service is available to Customers whose annual  
3 gas requirements equal or exceed 680,000 m<sup>3</sup> and who contract for such  
4 service for a minimum of one year, or to Customers that have received  
5 Interruptible Service continuously since December 31, 1996. Sales  
6 Service or Transportation Service are available. The charges include a  
7 Basic Monthly Charge, a Monthly Demand Charge, a Gas Commodity  
8 charge, and a Delivery charge as described in Sections IX and X of this  
9 Schedule of Sales and Transportation Services and Rates. Interruptible  
10 Service is subject to Special Terms and Conditions of Service as set out in  
11 Sections V and VI, which also includes charges for failure to comply with  
12 the Terms and Conditions of the service.

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

19  
20 **5) Mainline Class (“MLC”)**

21 Mainline Customers receive gas through one meter where the Customer is  
22 served directly from the Company’s transmission system or through  
23 dedicated distribution facilities at pressures in excess of medium  
24 pressure and whose annual gas requirements equal or exceed 680,000  
25 m<sup>3</sup> and who contract for such service for a minimum of one year. Mainline  
26 Customers may elect Firm Sales Service, Interruptible Sales Service (in  
27 conjunction with Firm Delivery Service), or Firm Transportation Service.  
28 The charges include a Basic Monthly Charge, a Monthly Demand  
29 Charge, a Gas Commodity charge, and a Delivery charge as described in  
30 Sections IX and X of this Schedule of Sales and Transportation Services  
31 and Rates. This service may be subject to Special Terms and  
32 Conditions as specified in sections V and VI.

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

1 Backstopping Service as described in the Optional Service Offerings  
2 provided herein.

3

4 **6) Special Contract Class**

5 The Company provides Special Contract service through a written  
6 agreement between the Company and a Customer which governs the  
7 gas service to the Customer. Special Contract Service may include Sales  
8 Service and/or a Transportation Service. This service will be governed by  
9 the terms of the individual contract. 15

10

11 **7) Power Station Class**

12 The Company provides service to electrical generating stations which use  
13 natural gas in the production of electricity through a written agreement  
14 between the Company and the Customer which governs the gas service  
15 to the Customer. Power Station Service may include Sales Service and/or  
16 Transportation Service. This service will be governed by the terms of the  
17 individual contract.

1           **IV.     General Terms and Conditions**

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

5  
6           **A) Contract For Service**

7  
8           **1) General**

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

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

20  
21           **2) Application for Service**

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

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

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

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**3) Termination**

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

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

- a) If, before the point of entry at the Premises, a service line must cross property owned by some person other than the Customer, the Company shall obtain from such person a written consent or easement for the installation and maintenance of the service line and related facilities.
  
- b) If the Customer is not the registered owner of the Premises, the Customer shall obtain for the Company from the said owner the necessary consent or easement in writing for the installation and maintenance in said Premises of all necessary facilities for supplying gas; provided that the Company may, at its option, itself acquire such consent or easement.

**5) Assignment**

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

**6) Representation**

No agent, representative, or employee of the Company has the authority to make any promise, agreement, or representation not incorporated

1 within the Company's Schedule of Sales and Transportation Services  
2 and Rates or executed through a contract for service, and any such  
3 promise, agreement, or representation shall not bind the Company.  
4

5 **7) Resale of Gas**

6 Gas taken by a Customer at a delivery point shall not be resold, except  
7 as permitted by Law.  
8

9 **8) Rates and Charges**

10 In connection with a contract for service, the Customer shall pay the  
11 Company at the rates approved from time to time by the Board or other  
12 regulatory body having jurisdiction and shall pay any other charges validly  
13 in effect from time to time.  
14

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

16 The provisions of these Terms and Conditions of Service are subject at  
17 all times to all applicable Federal, Provincial, and Municipal Legislation  
18 including The Public Utilities Board Act (Manitoba) as amended from time  
19 to time, or such other legislation as may be enacted in replacement  
20 thereof and any lawful Orders of the Board. In the event of any conflict  
21 between the provisions of these Terms and Conditions, the provisions  
22 of the aforesaid Legislation, or any lawful Order of the Board, the  
23 provisions of the said Legislation or Order shall prevail.  
24

25 **B) Service Connection and Charges**

26  
27 **1) Authority for Work**

28 No changes, extensions, replacements, repairs, connections, or  
29 disconnections to, of, or from the Company's system shall be made  
30 except by the Company's duly authorized employees, agents, or  
31 contractors.  
32

33 **2) Installation Policy**

34 Subject to IV B) 3) hereof, where the Company's main is adjacent to  
35 the Customer Premises, the Company will install, at no additional charge to  
36 the Customer, a service line from the main to a meter location selected by  
37 the Company, except that where the distance from the property-line crossed

1 by the service line to the entry-point or meter exceeds forty- six meters (150  
2 feet), the Company may invoke and the Customer shall pay an excess  
3 distance charge. The Company reserves the right to conduct a feasibility  
4 study on each applicant or project and charge an applicable contribution  
5 in aid of construction for that Customer and/or any and all Customers in a  
6 project, which contribution shall be paid (or suitable arrangements made  
7 in lieu thereof to the satisfaction of the Company) prior to  
8 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  
12 opinion, such installation is not reasonable and practical and would not  
13 furnish sufficient business to justify the construction and maintenance  
14 thereof, and neither acceptance of an application from nor any cash deposit  
15 from the Customer shall be construed as a commitment by the Company to  
16 install any service line.  
17

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

19 The Company will designate the location of the service lines, meters, and  
20 regulators, and will determine the amount of space that must be left  
21 unobstructed for the installation and maintenance of such equipment.  
22

23 **5) Service Relocation and Alteration**

24 Where the Customer requests, or where the Customer's conduct requires,  
25 that the meter, regulator and/or service line either enter the Premises at a  
26 point or follow a route different from that chosen by the Company or alters  
27 the existing configuration, it must conform to existing codes and  
28 regulations. The Company may charge and the Customer shall pay for all  
29 extra costs incurred for the installation or alteration in accordance with the  
30 Customer's request, or as made necessary by the Customer's conduct,  
31 provided that nothing herein obligates the Company to make the requested  
32 or required changes.  
33

34 **6) Meters Installed Within Premises**

35 If the Company has designated an inside meter location, the meter will  
36 be installed as close to the service entry point as allowed by existing  
37 codes and regulations. Where the Customer desires a meter location

1 other than that chosen by the Company, it must conform to existing  
2 codes and regulations, and the Customer will be charged the cost of  
3 installing all piping in excess of the amount required by the Company's  
4 choice of location. All piping, and other equipment if any, between the  
5 main and the meter remains the property of the Company.  
6

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

8 Additional meters may be installed on request at the Customer's expense.  
9 The Company reserves the right to refuse installation of additional meters  
10 where such installation is not reasonably necessary for the Customer's  
11 purposes.  
12

13 **8) Access to Property**

14 The Customer grants the Company full power, right, and liberty to enter  
15 the lands upon which the Premises are situated to break the surface and  
16 make necessary excavations for the purpose of locating, installing,  
17 repairing, replacing, maintaining, and inspecting all facilities on the said  
18 lands. The Company shall do as little damage and cause as little  
19 inconvenience as is reasonably possible in doing such work, and shall  
20 restore the property as nearly as is reasonably practical, to its former  
21 state provided at all times that the Company shall not be obligated to  
22 remove its pipelines or other equipment.  
23

24 **9) Commencement of Use of Gas**

25 The Customer agrees to commence using gas on the Premises within six  
26 (6) months of the date of installation of the facilities. Failing to so  
27 commence, after the sixth month the Customer shall pay the Company's  
28 approved Basic Monthly Charge, or at the Company's option, shall pay the  
29 full cost of the installation and removal of services.  
30

31 **10) Timing of Installation**

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

1                   **11) Gratuities**

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

4  
5                   **C) Consumer Contributions in Aid Of Construction**

6  
7                   **1) Refundable Contributions**

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

- 13  
14                  a) Full Refund: if, in the sole opinion of the Company, sufficient new  
15                  Customers or loads are attached to the extension to make it  
16                  economically feasible, a full refund of the original contribution will  
17                  be made.
- 18  
19                  b) Partial Refund: if, in the sole opinion of the Company, new  
20                  Customers or loads are attached to the extension, but total  
21                  anticipated revenue from the extension is insufficient to prevent  
22                  it from being a burden to the Company's other existing  
23                  Customers, the additional loads will be considered in re-  
24                  evaluating the original contribution and such re-evaluation may  
25                  enable a refund to the original Customer to a maximum of the  
26                  original contribution. Any portion of the refundable contribution not  
27                  refunded at the end of five (5) years will become a non-refundable  
28                  contribution.
- 29                  c) Any refund that may be due to the Customer will first be applied to  
30                  any outstanding amounts due to the Company by the Customer.  
31                  Any remaining balance will be refunded to the Customer.

32  
33                  **2) Non-Refundable Contributions**

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

1  
2 **D) Measurement Billing and Payment**

3  
4 **1) Meters and Regulators**

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

9  
10 **2) Testing Measurement Equipment**

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

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

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

36  
37 d) If, for the period since the last preceding test, it is determined that

1 any measuring equipment is found to be inaccurate by an amount  
2 exceeding 2% for such period, then the previous readings of  
3 measurement equipment shall be corrected for any period during  
4 which the measuring equipment was known to be inaccurate. In  
5 such situations, corrections for billing purposes shall be in accordance  
6 with section IV D) 4).

7  
8 **3) Meter Reading**

9 Meters shall be read with such frequency as the Company may decide.  
10 The Company shall have the right at any time to estimate Customer  
11 consumption and to render a bill based upon such estimated  
12 consumption. Should the number of consecutive estimated readings  
13 exceed five (5), the Company shall, subject to its ability to gain access to  
14 the Customer's Premises, read the meter. Notwithstanding the foregoing,  
15 the Company may, at its option, require the Customer to read the meter and  
16 report such reading in the manner specified by the Company.

17  
18 **4) Failure of Measurement Equipment to Register Properly**

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

- 23  
24 a) mathematical calculations and comparisons including prevailing  
25 ratio with a parallel meter,  
26  
27 b) the use of the Customer's check measuring equipment, and  
28  
29 c) the amount consumed during the corresponding period of the  
30 previous month(s) or year(s), giving due consideration to the  
31 weather, processing, and connected load, or  
32  
33 d) if no such information exists, the Company's best estimate,  
34 having regard to the circumstances.

35  
36 A correction in billing shall be made for the period that the measurement  
37 equipment failed to register properly, not exceeding two (2) years

1 retroactive from the date of discovery.  
2

3 **5) Billing**

4 a) **General:** Bills will be rendered monthly or by such other period as the  
5 Company may determine and the Customer shall pay rendered  
6 accounts by the due date specified on the bill. The Company shall  
7 assess, and the Customer shall pay, a late payment charge as  
8 specified in the rate schedule on all accounts remaining unpaid after the  
9 due date. The Company's records of the date of mailing or delivery of  
10 bills shall be conclusive evidence of the date of rendering. For  
11 purposes of computing monthly bills, "month" shall mean a billing  
12 period of approximately thirty (30) days. Bills computed for periods  
13 longer or shorter than one month in this context shall be prorated,  
14 including fixed charges such as the Basic Monthly Charge and the  
15 Monthly Demand Charge where applicable.  
16

17 Where bills have been rendered, and it is subsequently determined  
18 that they have been incorrectly calculated for reasons other than  
19 Failure of Measurement Equipment to Register Properly, they shall  
20 be recalculated and submitted for payment by the Customer or Refund  
21 by the Company. In such situations the recalculations may be  
22 retroactive for a maximum period of six years. No penalty or interest  
23 shall be included on such rebilled amounts during the retroactive  
24 period. Interest charges and/or late payment charges may begin after  
25 the due date as specified on the bill when rendered for the corrected  
26 amounts.  
27

28 **b) Application of Payments/Credits to Electricity and Gas**

29 **Accounts and Other Indebtedness:** Where a Customer pays less  
30 than the full balance due on an account which is comprised of charges  
31 for the supply of natural gas and electricity including related late  
32 payment charges and/or an amount for items other than gas or  
33 electricity services and related late payment charges (the "Other  
34 Indebtedness"), or receives a credit on the account, in the absence of  
35 a specific direction from the Customer, such payment/credit shall be  
36 applied in the following order:

37 i. first to the oldest arrears. Where arrears are of equal

1 vintage, payments shall be applied pro rata to natural  
2 gas charges, including related late payment charges,  
3 electricity charges, including related late payment charges  
4 and to the Other Indebtedness, including related late  
5 payment charges;

6 ii. where there are payments/credits in excess of the amount  
7 required to pay the oldest arrears, payments/credits shall  
8 be next applied to the next oldest arrears (pro rata in  
9 accordance with subparagraph (i) if there is more than one  
10 service with arrears of equal vintage), and so on until all  
11 arrears are paid;

12 iii. if there are no other arrears, to current charges, pro rata.  
13

14 **6) Authorization to Disconnect Other Service and/or Install Load**  
15 **Limiting Devices**

16 Where the Customer has an account comprised of charges for electricity  
17 and natural gas service, or is the recipient of both electricity and natural  
18 gas service at the same address but billed separately, the Customer  
19 authorizes the Company to request that Manitoba Hydro disconnect the  
20 electric service or alternately install a load limiting device on the electric  
21 service where the charges for natural gas service are in arrears and full  
22 payment or payment arrangements suitable to the Company have not been  
23 made. The installation and removal of the load limiting device and/or  
24 disconnection and reconnection of service shall be undertaken in  
25 accordance with the procedures as defined in the Gas and Combined  
26 Gas/Electric Services Disconnection and Reconnection Policy and  
27 Procedure as approved from time to time upon Order of the Board.  
28

29 **7) Guarantee Deposit**

30 Applicants for service may, at the option of the Company, be required  
31 to provide a guarantee of payment in the form of a deposit, letter of credit,  
32 or other guarantee suitable to the Company. The amount of such  
33 guarantee shall not normally exceed the total of estimated billings to  
34 the Customer for the three (3) month period of maximum  
35 consumption. Guarantee amounts may be assessed at the discretion of  
36 the Company. The guarantee is security against any outstanding  
37 indebtedness of the Customer, and may, at the Company's discretion,

1 be held by the Company until the Customer discontinues the use of  
2 gas at the Premises and the contract is terminated, or the guarantee  
3 or part thereof may be applied from time to time against the  
4 outstanding indebtedness of the Customer and any amount so applied  
5 shall forthwith be paid to the Company by the Customer to replenish such  
6 guarantee. The amount of such guarantee is not transferable or  
7 assignable.

8  
9 If the guarantee is provided by way of a deposit, the Company shall annually  
10 credit interest on the deposit at the Company's average short-term  
11 borrowing cost, as updated from time to time.

12  
13 The deposit shall cease to draw interest at the earliest of; the date it is  
14 returned to the Customer, the date notice is sent to the Customer's last  
15 known address that the guarantee is no longer required, the date the  
16 deposit is applied against the outstanding indebtedness of the Customer,  
17 or the date when service is final billed.

18  
19 In the event of termination of the contract between the Company and the  
20 Customer, such deposit plus accrued interest, less any amount owed to  
21 the Company, will be refunded.

22  
23 **8) Budget Billing Plan**

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

27  
28 The Company shall fix the amount of the monthly installments on the  
29 basis that the installments to be paid shall total the sum which would be  
30 payable under the Company's rate schedule for the amount of gas or  
31 services which the Company estimates would be consumed on the  
32 Premises during the period in which the Customer is to pay such  
33 installments (herein called, "the budget period").

34  
35 The Customer may terminate the Budget Billing Plan at any time by giving  
36 seven (7) days' prior notice of termination to the Company and the  
37 Company may terminate the Budget Billing Plan at any time in the event

1 that the Customer ceases to be a Customer, or if the Customer has not  
2 maintained payment of installments to the Company's satisfaction.

3  
4 Upon the expiration of the budget period or its earlier termination as  
5 referred to above, the amount that would be payable to the Company by  
6 the Customer pursuant to the rate schedule for gas actually consumed  
7 from the beginning of the budget period to its end or earlier termination,  
8 shall be compared with the aggregate of the monthly installments  
9 actually paid by the Customer during such time, and if the amount  
10 payable exceeds the aggregate of the amounts actually paid, such excess  
11 shall be paid by the Customer to the Company, or if the amount actually  
12 paid exceeds the amount payable, such excess shall be paid or credited  
13 by the Company to the Customer.

14  
15 The Company may, at any time, revise its estimate of a Customer's gas  
16 consumption, and accordingly, may increase or decrease the amount of  
17 monthly installments payable by the Customer. In addition, the monthly  
18 installments may be adjusted to reflect approved rate changes.

19  
20 **9) Returned Cheques**

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

25  
26 **10) Taxes**

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

30  
31 **11) Late Payment Charge**

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

35  
36 **12) Measurements**

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

1  
2 a) **Unit of Gas:** The unit of gas sold to or transported for the Customer  
3 shall be a volume of gas measured according to Boyle’s Law for the  
4 measurement of gas under varying pressures and on the  
5 measurement basis set out in paragraph b) below. Where  
6 appropriate, proper corrections shall be made for the specific  
7 gravity and flowing temperatures of the gas and for deviation from  
8 Boyle’s Law as provided in paragraph b) below.

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

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

20  
21  
22  
23  
24  
25 c) **The gross heating value** of the gas per Cubic Meter at any delivery  
26 point shall be as determined by TransCanada PipeLines Limited  
27 (“TCPL”).

28  
29  
30  
31 d) **The flowing temperature** of the gas shall be, in the case of non-orifice  
32 measurement devices, in accordance with the recommendation of the  
33 equipment’s manufacturer. Integrating devices for automatically  
34  
35  
36  
37

1 correcting volumes for flowing temperature may be used as the  
2 Company deems necessary.

3  
4 e) **The specific gravity** of the gas delivered shall be as determined by  
5 TCPL.

6  
7 f) **When gas is measured** by means of an orifice meter or meters,  
8 the factor for correction for deviation from Boyle's Law shall be  
9 computed in accordance with the American Gas Association's  
10 Tables published for that purpose together with amendments and  
11 supplements, using the daily arithmetic averages of temperatures,  
12 pressure, specific gravity, and a representative gas analysis as required  
13 by the tables. When gas is measured by means other than an orifice  
14 meter, the factor for correction for deviation from Boyle's Law shall be  
15 the square of the factor determined by following the above described  
16 method for use with orifice meters.

17  
18 **13) Determination of Monthly Billing Demand**

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

21  
22 a) **Monthly Billing Demand** will be the highest daily consumption,  
23 subject to sections V G) 3), V H) 7), VI D) 4), and VI E) 7), measured  
24 in Cubic Meters on any given day of the month, provided the  
25 month is a Winter Month, or in any Winter Month of the  
26 preceding eleven months. For Customers without twelve months  
27 of demand billing data, the Monthly Billing Demand may be  
28 estimated or otherwise specified by the Company.

29  
30 b) **Exception:** During the months of November and March, the  
31 Company may (at its sole discretion) authorize certain Customers to  
32 use gas without invoking a higher Monthly Billing Demand. This  
33 flexibility will be available only to those Customers who do not  
34 regularly require significant volumes of gas in the Winter season, but  
35 whose non-winter requirements may extend into the Winter season  
36 for a short duration either at the start or at the end of the Winter  
37 season. Such flexibility may be provided at the sole discretion of

1 the Company.  
2

3 **E) Other Services**

4 The Company may provide the following services:  
5

- 6 a) Locate and mark at no direct charge, all Company owned  
7 underground plants on request to facilitate excavation or other  
8 construction.  
9
- 10 b) Respond, at no charge, on a 24-hour emergency basis to reports  
11 of, explosion, fire, gas odour, leaks, fumes, over-pressure,  
12 overheating of natural gas space heating equipment or damaged  
13 plant, or any other service which, in the Company's opinion, is  
14 required for the maintenance and security of Company equipment.  
15
- 16 c) Provide safety inspections, safety related adjustments and/or repairs  
17 to the natural gas burning portion of stoves, ranges, and all primary  
18 space and water heating residential and commercial appliances  
19 under 400,000 Btu/h (422 MJ/h). This includes, but is not limited to,  
20 repair of minor gas leaks, and the adjustment and replacement of  
21 controls and control parts performed by the Company where  
22 reasonably possible. The Small General Class Customer will be  
23 responsible for the cost of parts. All other Customers will be  
24 responsible for the cost of parts and labour.  
25
- 26 d) Service to commercial or industrial equipment over 400,000 Btu/h  
27 (422 MJ/h) will not normally be undertaken. The Company will  
28 respond, however, to commercial emergencies where business  
29 might be adversely affected by prolonged interruption of service. The  
30 Customer will be responsible for the cost of parts and labour.  
31
- 32 e) Provide customers or customers' agents with basic billing. Routine  
33 queries for which a response can be developed with the  
34 commitment of 30 minutes or less of staff time will be addressed at  
35 no charge. For more complex inquiries, which require more than 30  
36 minutes staff time, the customer will be responsible for the cost of  
37 labour, which will be billed at the approved Company Labour Rate

(see Section XI, Company Labour Rate).

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

## **F) Equipment**

### **1) Ownership of Equipment**

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

### **2) Measuring Station**

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

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

The Customer may install, maintain, and operate, at its own expense, such check measuring, pressure, or volume control equipment as desired, provided that such equipment shall be

1 installed and/or operated so as not to interfere with the operation of  
2 the Company's equipment.

3

4 **3) Rights of Parties**

5 The measuring equipment so installed by either party together with  
6 any building erected by it for such equipment, shall be and remain its  
7 property. However, the Company and the Customer shall have the  
8 right to have a representative present at the time of any installing,  
9 reading, cleaning, changing, repairing, inspecting, testing,  
10 calibrating, or adjusting done in connection with the other's  
11 equipment. The records from such equipment shall remain the  
12 property of their owner, but upon request each will submit to the other  
13 its records and charts, together with calculations therefrom, for  
14 inspection and verification, subject to return within ten days after receipt  
15 thereof.

16

17 **4) Care Required**

18 All installation of equipment applying to or affecting deliveries of gas  
19 shall be made in such manner as to permit an accurate determination of  
20 the quantity of gas delivered and ready verification of the accuracy of  
21 measurement. Care shall be exercised by both parties in the  
22 installation, maintenance, and operation of equipment so as to prevent  
23 any inaccuracy in the determination of the volume of gas delivered.

24

25 **5) Preservation of Metering Records**

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

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

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

8  
9                   b) If the Customer undertakes to renovate, reconstruct, or modify the  
10                  Premises in such a way as to render Company equipment non-  
11                  compliant with any existing codes or regulations, the Company  
12                  will make any corrections necessary to its equipment so that it  
13                  conforms to the said codes and regulations and the Customer shall  
14                  be responsible for the cost of such corrections.

15  
16                  **7) Moving Meters**

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

20  
21                  **8) Access to Premises**

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

28  
29                  **9) Termination of Service**

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

35  
36                  **10) Rental Equipment**

37                  The title to all equipment supplied by the Company under a Rental

1 Agreement and placed on the Customer's Premises shall remain with  
2 the Company with right of removal, and no charge shall be made by the  
3 Customer for use of Premises occupied thereby.  
4

5 **G) Discontinuance of Service**

6  
7 **1) Requirement of Notice**

8 If the Customer desires to discontinue the use of gas or to move from  
9 the Premises or in any way to terminate the contract, the Customer shall  
10 notify the Company of such intention and provide the Company with  
11 reasonable notice of discontinuance.  
12

13 **2) Reasons for Discontinuance**

14 The Company reserves the right to temporarily or permanently  
15 discontinue the supply of and/or delivery of gas and/or to remove its  
16 property from the Customer's Premises, for any of the following  
17 reasons:  
18

19 a) Failure, temporary or permanent, of the availability of gas;

20  
21 b) Necessary repairs on any point on its system;

22  
23 c) Non-payment by the Customer of any indebtedness to the  
24 Company when due;

25  
26 d) Failure of the Customer to pay any guarantee deposit or  
27 increase thereof forthwith on demand;

28  
29 e) Bankruptcy or insolvency of the Customer;

30  
31 f) Use by the Customer of defective pipe, appliances, gas fittings,  
32 or installations contravening prescribed codes and regulations,  
33 or the demand by the Customer for the supplying of gas in such  
34 a manner as may, in the Company's opinion, be likely to lead to  
35 a dangerous situation;

36  
37 g) Use of gas contrary to the terms of these Terms and Conditions

1 or to any explicit Contract made with the Customer;

2  
3 h) Misrepresentation by the Customer in relation to the use of gas  
4 or the amount consumed;

5  
6 i) Moving of Customer from the Premises;

7  
8 j) Inability of the Company to gain admittance to the Premises to  
9 replace the meter as required, or read the meter for a period of  
10 six (6) consecutive months;

11  
12 k) Termination in any manner of the contract of service;

13  
14 l) Discontinuance of the use of gas on the Premises;

15  
16 m) Fire, flood, explosion, or other emergency in order to safeguard  
17 persons or property against the possibility of injury or damage;

18  
19 n) Theft of Company property, services, and/or gas.  
20

21 **3) Reconnect Fees**

22 On each occasion when gas service is discontinued at the Customer's  
23 request or as a result of failure of the Customer to comply with these  
24 Terms and Conditions, and the Customer subsequently requests that  
25 service be resumed to the Customer at the same Premises, a  
26 reconnect fee may be charged in addition to the Customers Basic  
27 Monthly Charge (if applicable) and Monthly Demand Charge (if  
28 applicable) for the period of discontinued service. In the event that the  
29 meter and regulating equipment and/or service line are removed and  
30 replaced on the same Premises within five years of removal, the  
31 Company may charge a fee for resetting the meter, regulator and  
32 installation of the service line. Until such charges, together with any  
33 other indebtedness of the Customer to the Company are paid, the  
34 Company may, at its discretion, refuse to reconnect the service or to  
35 supply gas.

1           **H) Rules For Transfer Of Customers Between Classes Or Services**

2           The following rules shall apply with respect to any customer that may elect  
3           to make an eligible change between customer classes or between service  
4           offerings.

5  
6           **1) Transfers Between Sales and Transportation Service**

7           Customers that are currently receiving Sales Service and that wish to  
8           contract for Transportation Service must make a written request to the  
9           Company. All requests for such transfer of Service must be made no  
10          later than March 15 in any given year. The Customer must execute a  
11          Transportation Service agreement with the Company no later than  
12          June 30 of the same year. All transfers between Sales and  
13          Transportation Services shall become effective no later than November  
14          1 of each year.

15  
16          **2) Transfers Between Transportation and Sales Service**

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

24  
25          **3) Transfers Between Interruptible Class and Firm Service Classes**

26          Customers that are currently receiving Interruptible Service and that  
27          wish to be provided Firm Service must make a written request to the  
28          Company. All requests for such transfer of Service must be made no  
29          later than March 15 in any given year. The Customer must execute an  
30          agreement with the Company no later than June 30 of the same year.  
31          All transfers between Interruptible Service and the applicable Firm  
32          Service customer class shall become effective no later than November  
33          1 of each year.

1           **I) Responsibility Of Parties**

2  
3           **1) Transfer of Risk, Title, and Possession**

4           With the exception of Customer owned gas, title to the gas and all risk in  
5           respect thereto shall remain with the Company until the gas is delivered to  
6           the Customer at the Delivery Point, at which point title and risk shall pass  
7           to the Customer. The Company shall have the right to commingle gas  
8           delivered to it by or for a Customer with gas owned by the Company or  
9           others.

10  
11           **2) Damages to Equipment**

12           The Customer shall be responsible for all damage to Company property on  
13           the Premises and agrees to notify the Company immediately of any  
14           damage occurring thereto, and shall pay the cost of any repairs to such  
15           Company property except where such damage or cost of repairs is  
16           attributable to normal usage.

17  
18           **3) Force Majeure**

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

1 majeure shall not relieve it from liability in the event of its concurring  
2 negligence, or in the event of its failure to use due diligence to remedy the  
3 situation or remove the cause in an adequate manner and with all  
4 reasonable dispatch, nor shall such causes and contingencies  
5 affecting the performance of the obligations hereunder relieve either party  
6 from the obligations to make payments of amounts then due or thereafter  
7 accruing due hereunder. It is understood and agreed that the settlement of  
8 strikes and lockouts shall be entirely within the discretion of  
9 the party affected.

10  
11 Provided always however, that when the Customers consumption or ability  
12 to consume is not affected, the Customer shall not be entitled to rely upon  
13 the aforesaid Force Majeure provisions.

14  
15 **4) Waste of Gas**

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

19  
20 **J) Consumer Equipment**

21  
22 **1) Description of Installation**

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

26  
27 **2) Customer's Equipment**

28 Gas piping, fixtures, and appliances on the Customer's Premises must be  
29 installed at the expense of the Customer or owner of the property.

30  
31 The Company may delay the construction of an extension and/or  
32 service until the Customer has completed the piping and installation of  
33 equipment necessary to receive and use service.

34

- 1           **V.     Special Terms and Conditions: Transportation Service (T-Service)**  
2  
3           A)     A Transportation Service agreement setting out Customer specific  
4           information shall be established between the Company and the Customer  
5           for Transportation Service under the High Volume Firm Class, Mainline  
6           Class, or Interruptible Class, having a minimum term of one year. The  
7           agreement shall remain in effect for successive periods of one year,  
8           unless written notice of termination is given by either party to the other at  
9           least 90 days prior to the expiration of the agreement or any renewal  
10          thereof.  
11  
12          B)     Subject to the conditions set out in subsection V. A) hereof, High  
13          Volume Firm Class, Mainline Class, or Interruptible Class customers  
14          may elect to receive Transportation Service where the customer's daily  
15          nomination equals or exceeds 200 GJ under normal operating  
16          conditions, excluding shut-downs for routine maintenance activities  
17          and holidays.  
18  
19          C)     The T-Service Customer shall deliver to the Company at the designated  
20          Receipt Point(s) and the Company shall receive from the T-Service  
21          Customer and transport a volume of gas, as determined in accordance  
22          with subsection D) hereof, from said Receipt Point(s) to the designated  
23          Delivery Point(s).  
24  
25          D)     The volume of gas delivered by the T-Service Customer and received and  
26          transported by the Company shall, on each day, equal the quantity of gas  
27          consumed by the Customer at its facility on such day as determined by the  
28          Company's measuring stations located at or near the Delivery Point, less  
29          the volume of Backstop Gas (if any) sold to the Customer by the Company  
30          on such day pursuant to subsection G) hereof.  
31  
32          E)     The Company shall not be obligated to transport, in any one day, any gas  
33          in excess of the Daily Contract Demand designated for delivery to each  
34          designated Delivery Point for each type of service.  
35  
36          F)     The T-Service Customer shall pay for all gas delivered by the T-Service  
37          Customer and received and transported by the Company at the T-Service  
38          Rates approved from time to time by the Board.

- 1  
2 G) In the event that a T-Service Customer fails or anticipates failure to deliver  
3 the necessary volume of gas to the designated Receipt Point:  
4  
5 1) The T-Service Customer shall promptly notify the Company if the  
6 Customer has reason to believe that deliveries of gas by or for the  
7 Customer to the Company at the Receipt Point(s) will be impaired in  
8 whole or in part. At such time, the Customer shall indicate whether it  
9 will require gas from the Company and the volume required during such  
10 period of impairment. If the Company is unable to provide Backstop  
11 Gas as requested by the Customer, the Customer shall be  
12 obligated to restrict its consumption to the volume of gas it can  
13 deliver into the system.  
14  
15 2) On any day when, as a result of impairment, the T-Service Customer  
16 requires gas from the Company, the Company may, subject to  
17 availability of supply, sell to the Customer such quantity of Backstop  
18 Gas as is agreed between the parties, and the Customer shall pay for  
19 any Backstop Gas the greater of:  
20 a) its pro-rata share of the total cost of Backstop gas  
21 purchased on behalf of T- Service customers by the  
22 Company, including all costs associated with purchasing and  
23 having that supply delivered to the Receipt Point. These  
24 charges are in addition to the normal T-Service Volumetric  
25 Charges; or  
26  
27 b) the equivalent Sales Service Volumetric Rate.  
28  
29 On such day, the Backstop Gas shall be deemed to be the first  
30 volumes delivered to the Customer.  
31  
32 3) Volumes delivered to the Customer as Backstop Gas shall be  
33 included in the determination of the Monthly Billing Demand.  
34  
35 H) The provisions of this paragraph shall only be applicable if service  
36 hereunder is pursuant to one of the Company's Interruptible  
37 Transportation services.  
38

- 1) The Company may, at its sole option, on notice to the T-Service Customer, curtail or discontinue service hereunder down to the level of Firm Transportation Service (if any) to which the T-Service Customer is entitled. Upon receipt of notice by the Company, the Customer shall curtail its consumption of gas to the extent requested by the Company within two (2) hours of receipt of notice.
- 2) In recognition of the curtailable nature of Interruptible Service the Customer agrees, at their sole expense, to:
  - a) Install, maintain and have ready to operate at all times a stand-by fuel source of sufficient size and capacity to satisfactorily replace the natural gas energy supply furnished by the Company, and to,
  - b) Ensure that sufficient supplies of stand-by fuel are available at all times, and that the Customer has sufficient personnel resources available to operate the stand-by fuel system at any time upon notice from the Company, and to,
  - c) Utilize the stand-by fuel source in the event that the Company gives notice to the Customer of a curtailment of service.
- 3) In recognition of the Customer's service as Interruptible Transportation Service furnished by the Company hereunder, the Company shall not be liable for damages to person or property resulting from curtailment of service, or the Customer's failure to provide adequate stand-by equipment and fuel, or to use such equipment properly and sufficiently.
- 4) In the event that the T-Service Customer fails to comply with any such notice of curtailment, then the Company may at its option:
  - a) Physically discontinue Transportation Service hereunder during any period of curtailment; and/or
  - b) Charge and collect from the Customer for all gas received and Transported hereunder during any such period at

- 1 the Unauthorized Over-Run Delivery Charge, or such lesser  
2 amount per m<sup>3</sup> as the Company, in its sole discretion, may  
3 decide upon; and/or  
4
- 5 c) Charge and collect from the Customer the Firm T-Service  
6 Delivery rates for a 12 month period subsequent to the failure  
7 to interrupt. This provision shall not relieve the Customer from  
8 continuing to operate as, and meet all of the obligations of, an  
9 Interruptible Customer during this 12 month period. Continued  
10 failure to abide by the terms of Interruptible Service shall entitle  
11 the Company to return the Customer to Firm Transportation  
12 Service on a permanent basis.  
13
- 14 5) The Company shall have the further right to curtail the transportation of  
15 gas hereunder without notice and without any liability whatsoever for  
16 any resultant damage to the Customer for any one or more of the  
17 following reasons:  
18
- 19 a) Repairs to its distribution system; or  
20
- 21 b) Transportation of gas being prevented or interrupted for any  
22 cause reasonably beyond the control of the Company; or  
23
- 24 c) For breach by the Customer of any of the terms and conditions  
25 hereof.  
26
- 27 6) With respect to each Delivery Point(s), the T-Service Customer shall  
28 be subject to a monthly bill equal to the Basic Monthly Charge, the  
29 applicable Monthly Demand Charge, and Volumetric Charges for  
30 volumes delivered.  
31
- 32 7) Volumes taken by the Customer in contravention of curtailment  
33 notice shall be included in the determination of the Monthly Billing  
34 Demand.  
35
- 36 I) Where the T-Service Customer is entitled to both Firm and Interruptible  
37 Transportation Service to a particular Delivery Point, the volume of gas  
38 transported by the Company to such Delivery Point on any day shall be

1 deemed to be transported firstly under Firm Service up to the level of  
2 Firm Daily Contract Demand, and secondly under Interruptible Service;  
3 provided, however, that if on any day, the Customer's Interruptible  
4 Service is curtailed, the gas under Firm Service shall be deemed to have  
5 been transported, up to the time of curtailment, at an even hourly flow at  
6 a rate equal to the Firm Daily Contract Demand, divided by 24.

7  
8 J) The T-Service Customer shall notify the Company no later than 2:00 p.m.  
9 CCT on the day prior to delivery (except during periods when the Customer  
10 has advised the Company that no transportation service is required) of:

11  
12 1) The Customer's forecasted gas consumption and the Customer's  
13 Nominated Volume on the TCPL Mainline for the following day.

14  
15 Such Nominated Volume and forecasted consumption shall be deemed to  
16 remain in effect from day to day unless changed by the Customer and  
17 notice of such change is given to the Company at subsequent intraday  
18 nomination windows. If on any day in the event that the T-Service  
19 Customer's actual gas consumption for that day is to deviate from the  
20 forecasted gas consumption and Nominated Volume identified in J) 1.  
21 above the Customer shall notify the Company at the earliest opportunity  
22 of any such deviation, and the T-Service Customer shall make  
23 reasonable efforts to make the necessary forecast and nomination  
24 adjustments required with TCPL and the Company.

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

- 1 agreement.
- 2
- 3 L) In the event that a Sales Service Customer elects to become a T-Service
- 4 Customer, the Customer will indemnify and save the Company harmless
- 5 against any costs incurred by the Company upstream of the Receipt Point
- 6 for which the Company is unable to obtain relief. The Company reserves
- 7 the right to determine the level of capacity that may be released to the
- 8 Customer or his agent.
- 9
- 10 M) The T-Service Customer hereby releases the Company from the
- 11 Company's obligation to supply gas (except in accordance herewith)
- 12 to the Customer for so long as the Transportation Service
- 13 Agreement remains in force. If the Customer wishes to
- 14 recommence purchasing gas from the Company, the Customer
- 15 acknowledges and agrees that it will be treated in the same manner as a
- 16 new Customer applying for Sales Service and will be subject to the
- 17 provisions in Section IV. H) 2. hereof regarding requests for transfer
- 18 from Transportation Service to Sales Service.
- 19
- 20 N) If the T- Service Customer or its authorized agent causes delivery
- 21 imbalances relating to the delivery of gas to the Company's distribution
- 22 system, the Company may impose balancing fees on the Customer.
- 23 Further detail on the T-Service balancing fee structure and tolerances are
- 24 set out in Appendix C, attached.

1           **VI. Special Terms And Conditions: Interruptible Sales Service And**  
2           **Interruptible Delivery Service**

3           The provisions of this Section VI pertains to Interruptible Sales Customers  
4           (taking corresponding Interruptible Delivery Service) and Mainline  
5           Customers electing Interruptible Sales (in conjunction with Firm Delivery  
6           Service) provided by the Company.  
7

8           A)    A contract setting out Customer specific information shall be established  
9           between the Company and the Customer having a minimum term of one  
10          year. The agreement shall remain in effect for successive periods of one  
11          year, unless written notice of termination is given by either party to the  
12          other at least 90 days prior to the expiration of the agreement or any  
13          renewal thereof.  
14

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

17  
18                1) Install, maintain and have ready to operate at all times a stand-by fuel  
19                source of sufficient size and capacity to satisfactorily replace the  
20                natural gas energy supply furnished by the Company; and to,  
21

22                2) Ensure that sufficient supplies of stand-by fuel are available at all  
23                times, and that the Customer has sufficient personnel resources  
24                available to operate the stand-by fuel system at any time upon notice  
25                from the Company; and to,  
26

27                3) Utilize the stand-by fuel source in the event that the Company gives  
28                notice to the Customer of a curtailment of service.  
29

30          C)    Subject to subsection VI D) hereof, the Company shall sell and deliver to  
31          the Customer and the Customer shall purchase from the Company at the  
32          Delivery Point, natural gas for consumption by the Customer at its  
33          premises; provided that the Company shall not be obligated to sell or  
34          deliver to the Customer, on any one day, any gas in excess of the  
35          Interruptible Daily Contract Demand as specified in a separate agreement,  
36          or in any one hour, any gas in excess of the Maximum Hourly Flow.  
37

1 D) In the event that the Company determines, in its sole discretion, that it  
2 cannot provide Interruptible Sales Service from its available supplies, the  
3 following provisions will apply:  
4

5 1) If, prior to the commencement of any day or at any time during any  
6 day, the Company reasonably believes that it will, on that day, be  
7 curtailing Interruptible Sales and/or offering Alternate Supply gas at a  
8 price higher than the Company's Base Rate for Gas Commodity, it  
9 shall notify the Customer to this effect and of the pass-through cost of  
10 acquiring additional gas commodity and transportation to Manitoba of  
11 such Alternate Supply gas. The Customer may elect to purchase  
12 Alternate Supply gas on that day or decline service for that day, or  
13 portion thereof, and the Customer shall promptly notify the Company of  
14 its decision. If the Customer declines service for that day or portion  
15 thereof it shall cease consuming gas on such day or portion thereof.  
16

17 2) If the Company is able to offer Alternate Supply gas to the Interruptible  
18 Customer at a price that is equal to or less than the Company's Base  
19 Rate for Gas Commodity, the Company may provide Alternate Supply  
20 service without notice to the Interruptible Customer, and the Customer  
21 shall pay the pass-through cost of acquiring additional gas commodity  
22 and transportation to Manitoba of that gas supply plus the Alternate  
23 Supply Service Delivery Rate.  
24

25 3) If, on any day, the Customer elects to purchase the Alternate  
26 Supply gas, the Customer shall pay the pass-through cost of acquiring  
27 additional gas commodity and transportation to Manitoba of that gas  
28 supply plus the Alternate Supply Service Delivery Rate.  
29

30 4) If, on any day, the Customer elects to purchase Alternate Supply  
31 the volumes delivered on that day shall not be included in the  
32 determination of the Monthly Billing Demand.  
33

34 5) If, on any day, the Company is providing Alternate Supply Service and  
35 the Customer, having declined such service, continues to consume  
36 gas on that day, the Customer shall be subject to section E) 3) below.  
37

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

3  
4 1) The Company may, at its sole option, on notice to the Customer, curtail  
5 or discontinue service hereunder down to the level of firm service to  
6 which the Customer is entitled (if any). Such notice shall be made by  
7 telephone, electronic or other communication device, or in person, and  
8 the Customer shall curtail its consumption of gas to the extent requested  
9 by the Company within two (2) hours of the Company's issuance of  
10 the notice;

11  
12 2) In recognition of the Customer's service as Interruptible Service  
13 furnished by the Company hereunder, the Company shall not be  
14 liable for damages to person or property resulting from curtailment  
15 of service, or the Customer's failure to provide adequate stand-by  
16 equipment and fuel, or to use such equipment properly and  
17 sufficiently;

18  
19 3) In the event that the Customer shall fail to comply with any such notice  
20 of curtailment, then the Company may, at its option:

21  
22 a) Physically discontinue service hereunder during such  
23 period of curtailment; or,

24  
25 b) Charge and collect from the Customer for all Unauthorized  
26 Over-Run Gas delivered to the Customer during any such  
27 period at the Unauthorized Over-Run Gas Charge and/or  
28 Unauthorized Over-Run Delivery Charge, or such lesser  
29 amount per m<sup>3</sup> as the Company, in its sole discretion, may  
30 decide;

31  
32 c) Charge and collect from the Interruptible Customer the High  
33 Volume Firm Service rates or other Firm Service rates as  
34 decided by the Company, for a 12 month period subsequent to  
35 the failure to interrupt. This provision shall not relieve the  
36 Customer from continuing to operate as, and meet all of the  
37 obligations of, an Interruptible Customer during this 12 month

- 1 period;
- 2
- 3 d) Continued failure to abide by the terms of Interruptible Service
- 4 shall entitle the Company to reclassify the Customer to Firm
- 5 Sales Service on a permanent basis;
- 6
- 7 e) Return the Customer to Firm Service on a permanent basis if in
- 8 the sole discretion of the Company, the Customer does not
- 9 provide evidence and proof of the installation, maintenance
- 10 and/or capability to reliably provide a stand-by fuel source
- 11 sufficient to satisfactorily replace the natural gas energy supply
- 12 provided by the Company. The Company reserves the right to
- 13 make such a determination and to advise the Customer of the
- 14 effective date of any such return to Firm Service.
- 15
- 16 4) The Company shall have the further right, without notice to the
- 17 Customer, to curtail service hereunder for any of the following reasons:
- 18
- 19 a) For repairs to its distribution system;
- 20
- 21 b) By reason of service hereunder being prevented or
- 22 interrupted for any cause reasonably beyond the control of
- 23 the Company; or 13
- 24
- 25 c) For breach by the Customer of any of the terms and conditions
- 26 hereof;
- 27
- 28 5) With respect to each delivery point, the Customer shall pay a monthly
- 29 bill equal to the Basic Monthly Charge, the applicable Monthly
- 30 Demand Charge, and Volumetric Charges for any and all volumes
- 31 delivered;
- 32
- 33 6) The Company shall not be liable for damages, costs, loss or expense,
- 34 whether direct, consequential, or otherwise, to person or property,
- 35 resulting from curtailment of service hereunder or the Customer's
- 36 failure to provide adequate stand-by equipment and/or fuel, or to use
- 37 such equipment properly and sufficiently.
- 38

- 1                   7) Volumes taken by the Customer in contravention of curtailment shall  
2                   be included in the determination of the Monthly Billing Demand.  
3
- 4           F)    The provisions of these “Special Terms and Conditions” may be  
5           superseded by any requirements contained in the Interruptible Service  
6           Contract as required in paragraph A) herein.  
7
- 8           G)    Where the Customer is entitled to both Firm and Interruptible Sales  
9           and/or Delivery Service hereunder to a particular Delivery Point, the  
10          volume of gas transported by the Company to such Delivery Point on  
11          any day shall be deemed to be transported firstly under Firm Service up  
12          to the level of Firm Daily Contract Demand as specified in a separate  
13          agreement, and secondly under Interruptible Service; provided, however,  
14          that if on any day, the Customer’s Interruptible Service is curtailed, the gas  
15          under Firm Service shall be deemed to have been transported, up to the  
16          time of curtailment, at an even hourly flow at a rate equal to the Firm Daily  
17          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,  
4 transmission, and distribution as appropriate, of Customer-owned Gas  
5 Commodity from AECO to the Customer's premises. The Company procures  
6 Non-AECO Supply to meet aggregate Sales Service demand, including Western  
7 Transportation Service.

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

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

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

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

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

32  
33 5) Customers that wish to act as their own Broker must have  
34 estimated annual consumption of equal to or greater than 680,000 m<sup>3</sup>  
35 and must be authorized by the Board.

36  
37 C) Participation in Western Transportation Service will commence on the first day

1 of each calendar month.

- 2
- 3 1) Brokers will submit enrollment applications on behalf of Customers. The  
4 Company will notify the Broker if a Customer enrollment application is  
5 unacceptable to the Company.  
6
- 7 2) Enrollment applications must be submitted using a format acceptable to the  
8 Company, acting reasonably. Enrollment applications must include a field  
9 that clearly identifies the date that each Customer executed their  
10 respective Agency Agreements with the Broker.  
11
- 12 3) The Company reserves the right to accumulate enrollment applications  
13 in such a manner as to efficiently process and administer the enrollment of  
14 customers onto this service. In the event that the Company elects to  
15 accumulate multiple applications from a Broker, it shall process those  
16 applications no less frequently than once each week.  
17
- 18 4) Brokers may submit enrollment applications no earlier than 75 days  
19 prior to the requested date for commencement of service.  
20
- 21 5) Enrollment applications must be received by the Company no less than 45  
22 days prior to the requested date for commencement of service.  
23
- 24 6) A Customer's participation in Western Transportation Service with one  
25 Broker must be terminated by that Broker before the Customer can  
26 participate in that Service with a different Broker.  
27
- 28 7) The Company will send a confirmation letter to each Customer whose  
29 enrollment is acceptable to the Company.  
30

31 D) Brokers who choose to participate in Western Transportation Service must do so  
32 through to the end of each Gas Year.  
33

34 E) A Customer's enrollment in Western Transportation Service is subject to  
35 the following:  
36

- 37 1) A Customer may return to the Company's Sales Service for Gas  
38 Commodity effective with the start of any calendar month, subject to the

- 1 Company's ability to provide Backstop Gas on a best efforts basis and the  
2 Customer's requirement to pay any and all incremental costs related to the  
3 Company's provision of that Backstop Gas.  
4
- 5 2) The Company will provide Backstop Gas on a best-efforts basis to any  
6 Customer whose Western Transportation Service Agreement is  
7 terminated, through the end of the current calendar month, after which  
8 time the Customer may return to the Company's Sales Service for Gas  
9 Commodity in accordance with Article VII F) 1), or to Western  
10 Transportation Service.  
11
- 12 3) A Customer may switch Brokers effective with the start of any calendar  
13 month, subject to the terms of their Agency Agreement.  
14
- 15 4) A Customer may, through the enrollment process, switch between  
16 Western Transportation Service Agreements with the same Broker  
17 effective with the start of any calendar month.  
18
- 19 F) The Broker is responsible for securing firm supply of Gas Commodity  
20 at AECO.
- 21 1) The firm supply at AECO must be adequate to meet the Maximum  
22 Daily Quantity established by the Company for Gas Commodity. The  
23 ability to supply the Maximum Daily Quantity at AECO must be maintained  
24 for every day that service is provided.  
25
- 26 2) The Company may direct, dispatch or dispose of the firm supply in any  
27 manner it sees fit, consistent with prudent utility practice, and shall be  
28 entitled to pass good title in such gas.  
29
- 30 3) The Company is not responsible for the cost of the firm supply at AECO,  
31 or for any financial or other performance penalties that may be associated  
32 with such firm supply.  
33
- 34 G) The Company shall on each day nominate a quantity of Gas Commodity to be  
35 delivered on the next day by the Broker and accepted by the Company at AECO  
36 or at a designated point(s) of receipt acceptable to the Company in its sole  
37 discretion in accordance with the following terms:

- 1  
2 1) Prior to any deliveries being made in accordance with the terms of this  
3 Service, the Broker shall provide the Company with the name,  
4 address, telephone number, facsimile number and e-mail address(es) of  
5 the Supplier[s], and the point[s] of receipt for deliveries. Such information  
6 shall be immediately updated as changes occur.  
7
- 8 2) Where there are two or more Suppliers, the Broker shall indicate to the  
9 Company what percentage of total daily nominations is to be made to each  
10 supplier. Such information shall be immediately updated as changes occur.  
11
- 12 3) The Company shall nominate by 12:00 noon Winnipeg time each day.  
13 The quantity that is nominated will be determined by the Company, taking  
14 into account the total gas requirements of the Broker (on behalf of the  
15 Broker's Customer(s)), its Maximum Daily Quantity, system operating  
16 conditions, the availability of transportation on TransCanada and  
17 nominations required under its system supply contracts and other gas  
18 purchase agreements under which the Company obtains gas. Such  
19 nomination may be changed from time to time during the Day, and the  
20 Broker shall promptly adjust its deliveries to accommodate such changes.  
21
- 22 4) The Company will nominate directly to the Supplier. The Broker agrees to  
23 inform the Supplier in writing that all nominations made in accordance  
24 with this Service by the Company to the Supplier for the delivery of gas to  
25 the Company, shall be received by the Supplier as if made by the Broker,  
26 and that all gas delivered by the Supplier to the Company pursuant to such  
27 nominations shall be to the account of the Broker. If for any reason the  
28 Supplier is unwilling or unable to accept such nominations, the  
29 Company shall be entitled to make in its discretion such nominations  
30 directly to the Broker.
- 31 5) The Company will nominate the Broker's supplies in approximately  
32 the same proportion to the total gas requirements of the Broker (on  
33 behalf of the Broker's Customer(s)) as the Company's nominations of  
34 AECO Supply in relation to total requirements for the Company's Sales  
35 (including Western Transportation Service) Customers.  
36
- 37 6) Unless otherwise agreed to by the Broker (on behalf of the Broker's  
38 Customer(s)), the maximum quantity of gas that the Company may

1 nominate on any day is the Maximum Daily Quantity.

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

6  
7 8)

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

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

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

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

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

33  
34 H) A monthly Gas Loan Mechanism will provide for cash payments between the  
35 Company and each Broker for the value of the difference between Gas  
36 Commodity Delivered by a Broker and Gas Commodity Billed to that Broker's  
37 Customers. The Gas Loan will be reconciled for each Gas Year, within two

1 months following the end of that Gas Year,

- 2 1) The Gas Loan will be tracked separately for each Broker.
- 3
- 4 2) For each Broker, the Company will calculate the Quantity Difference
- 5 between Gas Commodity Delivered and Gas Commodity Billed for each
- 6 month.
- 7
- 8 a) Gas Commodity Delivered in the month will be measured as the
- 9 quantity of gas received from Brokers at AECO during the month.
- 10
- 11 b) Gas Commodity Billed in the month will be measured as the
- 12 quantity of Gas Commodity reported on bills issued by the Company
- 13 to the Broker's Customers during that calendar month. Gas
- 14 Commodity Billed in the month may include consumption in a prior
- 15 period, in accordance with the Company's billing practices.
- 16
- 17 c) Where Gas Commodity is measured in Gigajoules, the quantity of Gas
- 18 Commodity in Cubic Meters will be determined using the Gross
- 19 Heating Value as determined by TransCanada.
- 20
- 21 3) The Value of the Gas Loan for each month will be calculated as the Quantity
- 22 Difference in each month multiplied by the Company's average unit cost
- 23 of AECO Supply in storage inventory at the commencement of the gas
- 24 year.
- 25
- 26 4) The Value of the Gas Loan shall be payable each month.
- 27
- 28 a) If the quantity of Gas Commodity Delivered in a month exceeds the
- 29 quantity of Gas Commodity Billed in that month, the Company shall pay
- 30 the Value of the Gas Loan to the Broker.
- 31
- 32 b) If the quantity of Gas Commodity Delivered in a month is less than the
- 33 quantity of Gas Commodity Billed in that month, the Broker shall pay
- 34 the Value of the Gas Loan to the Company.
- 35
- 36 c) The Company will issue a statement for the amount payable by the
- 37 Company or the Broker, as the case may be, on the 15th day of the

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

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37
- 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 AECO Supply 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 Gas Commodity 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 Gas Commodity 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 AECO Supply in storage inventory at the commencement of the Gas Year being reconciled.

1  
2 f) If the remaining Value of the Gas Loan indicates an overpayment by  
3 the Broker, the Company shall pay that amount to the Broker with the  
4 next scheduled monthly transaction following completion of the  
5 reconciliation calculations.  
6

7 g) If the remaining Value of the Gas Loan indicates an underpayment by  
8 the Broker, the Broker shall pay that amount to the Company with the  
9 next scheduled monthly transaction following completion of the  
10 reconciliation calculations.  
11

12 6) With respect to the Gas Loan Mechanism, no interest will be charged or  
13 credited by the Company for the Value of the Gas Loan, except for interest  
14 that will be calculated on late payments.  
15

16 I) Billing and Payment  
17

18 1) Sales Customers will be billed monthly for Transportation to Centra and  
19 Distribution to Customer at rates as approved by the Board from time to  
20 time. Transportation to Centra and Distribution to Customer rates will be  
21 combined in a single Delivery rate on customers' bills. The Delivery billed  
22 rate will include a rider to recover or refund the cost differential between the  
23 Company's AECO Supply and Non-AECO Supply costs. Bills will be issued  
24 on the regular billing cycle established by the Company. Subject to the  
25 provision of Agency Billing and Collection Service as noted later herein,  
26 unless the Broker signs an Agency Billing and Collection Agreement with  
27 the Company, the Broker shall be responsible for billing the Customer for  
28 Gas Commodity. Failure by the Customer who does not utilize the ABC  
29 service to pay that Broker's bill will not result in termination of service by the  
30 Company.  
31

32 2) The Customer is responsible for all charges related to Western  
33 Transportation Service, including charges incurred by their Broker when  
34 acting as the agent for the Customer. Such charges include:  
35

36 a) Gas supplies nominated by the Company at AECO, or at  
37 designated point(s) of receipt as acceptable to the Company in

- 1                                   its sole discretion, on behalf of the Customer.
- 2
- 3                                   b) Payments for gas loaned to the Broker by the Company under
- 4                                   the Gas Loan Mechanism, including interest where applicable.
- 5
- 6                                   c) Payments for Backstop Gas provided to the Broker by the
- 7                                   Company, including interest where applicable.
- 8
- 9                                   d) Reimbursement of any penalties or charges imposed on the
- 10                                  Company as a result of the Broker's malfeasance or
- 11                                  nonperformance.
- 12
- 13                                  e) Service fees charged to the Broker by the Company.
- 14
- 15                                  3) The liability of a Broker's Customers in relation to an obligation of their
- 16                                  Broker shall be prorated by the Company among the Customers of that
- 17                                  Broker, based upon the Company's determination of any relevant
- 18                                  factors and circumstances. Each Customer's liability will be limited to its
- 19                                  pro rata share, so determined.
- 20
- 21                                  4) Should the Broker fail to pay all of the amount of the Gas Loan Mechanism
- 22                                  as herein provided when such an amount is due, interest shall accrue on
- 23                                  the unpaid portion of the statement at a rate per annum equal to the
- 24                                  Company's average short-term borrowing cost, as updated from time to
- 25                                  time. If such failure to pay continues for ten days after such amount is due,
- 26                                  the Company may use any financial security provided by the Broker to meet
- 27                                  that obligation and may deduct and set-off such amounts from and against
- 28                                  Gas Commodity revenues collected by the Company on behalf of the
- 29                                  Broker under the ABC Service.
- 30
- 31                                  5) All remittances for the Gas Loan Mechanism will be accomplished via
- 32                                  Electronic Funds Transfer. Remittances related to the Gas Loan Mechanism
- 33                                  may be added to or netted against remittances related to ABC Service in
- 34                                  order to accomplish a single transaction on the scheduled day in each
- 35                                  month.
- 36
- 37                                  6) In the event an error is discovered in the amount billed for the Gas

1 Loan in any statement deemed to be rendered, such error shall be adjusted  
2 within thirty (30) days of the determination thereof, provided that such  
3 claim shall have been made within sixty (60) days from the date of  
4 discovery of the error.

5  
6 a) Errors discovered within the same Gas Year will be included in  
7 the monthly Quantity Difference and Value of the Gas Loan during  
8 that Gas Year.

9  
10 b) Errors discovered after the close of the Gas Year will be treated  
11 as an Annual Quantity Difference, subject to the same conditions  
12 as specified for the Gas Loan Mechanism.

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

- 15 1) Only Brokers licensed and registered to do business in the Province of  
16 Manitoba, and authorized by the Manitoba Public Utilities Board to operate  
17 as a Broker in Manitoba are eligible to participate;  
18  
19 2) The Agency Agreement creating a valid agency relationship between the  
20 Broker and the Customer must be retained as set out by the PUB in the Code  
21 of Conduct for Direct Purchase Transactions, as may be amended from time  
22 to time upon Order of the PUB;  
23  
24 3) The Agency Agreement must authorize the Broker to fulfill all requirements  
25 otherwise required to be met by the Customer under this Part VII Special  
26 Terms and Conditions: Western Transportation Service and be enforceable;  
27  
28 4) The Broker must execute a Western Transportation Service Agreement  
29 with the Company on behalf of the Customer;  
30  
31 5) Brokers must obtain, and maintain in good standing, firm supply contracts  
32 at AECO, or at designated point(s) of receipt as acceptable to the Company  
33 in its sole discretion, sufficient to meet the Maximum Daily Quantity  
34 requirements, and the allowed annual Gas Commodity requirements for  
35 each Customer as determined by the Company;  
36  
37 6) Representations and warranties, satisfactory to the Company, that the

1 Broker complies with the licensing requirements of the Board, including  
2 regulation relating to gas supply and transportation, as may be amended  
3 from time to time;

4  
5 7) The Company may reject service elections from Brokers whose  
6 supply is not documented or confirmed to the Company's satisfaction;

7  
8 8) The Company is not responsible for damages to the Customer should the  
9 Broker fail to perform; and

10  
11 9)

12 a) The Broker must have a Standard & Poor's BBB grade credit rating  
13 (or its equivalent of either B++ or Baa) or better, or alternatively, or in  
14 addition to, a form of guarantee acceptable to the Company from a parent  
15 corporation with a Standard & Poor's BBB grade credit rating (or its  
16 equivalent of either B++ or Baa) or better, from a Canadian or United  
17 States credit rating agency recognized by the Company.

18  
19 b) Alternatively, if the Broker is unable to meet the requirements set  
20 out in subparagraph 9 a) above, the Broker must provide credit support  
21 as reasonably determined and requested by the Company from time to  
22 time.

23  
24 c) The Broker shall immediately notify the Company in writing in the event  
25 that such credit rating of either the Broker or its parent, whatever the  
26 case may be, falls below the aforementioned minimum credit standard.

27  
28 K) The Company will remain the natural gas provider of last resort.

29  
30 1) The Company will provide Backstop Gas on a best-efforts basis to  
31 Customers of Brokers whose registrations are revoked or whose Western  
32 Transportation Service Agreements are terminated.

33  
34 2) Both the Customer and the Broker remain responsible for all obligations that  
35 arise by virtue of their participation in the Western Transportation  
36 Service, prior to the Customer's return to either the Company's Sales  
37 Service for Gas Commodity, or to Western Transportation Service with a

1 different Broker.  
2

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

5  
6 1) If on any day, a nomination is not accepted or if for any other reason, the  
7 Broker fails to deliver gas to AECO, or at designated point(s) of receipt  
8 as acceptable to the Company in its sole discretion, then the Company  
9 shall use its best efforts to acquire gas to replace the failed supply with  
10 Backstop Gas.

11  
12 2) In this event, the Company shall, in its discretion, charge the Broker and  
13 the Broker shall pay for all Backstop Gas acquired on its behalf at a rate  
14 which shall not exceed two times the incremental cost of the gas. The  
15 Broker and Customer acknowledge that this is not a penalty, but a  
16 reasonable pre-estimate of liquidated damages and organizational costs  
17 incurred by the Company.  
18

19 3) If the Company is unable to acquire Backstop Gas then the Customer, on  
20 notice from the Company, shall immediately curtail the use of gas at its  
21 facility. Customers who continue to consume gas after notice from the  
22 Company will be subject to the Unauthorized Over-Run Gas Charge and  
23 the Unauthorized Over-Run Delivery Charge as defined in the Schedule of  
24 Sales and Transportation Services and Rates.  
25

26 4) All obligations of the Broker and Customer to make up used but undelivered  
27 quantities of gas remain in place and other obligations and amounts due to  
28 the Company remain due and payable.  
29

30 5) The Company shall report all instances where Backstop Gas is supplied, or  
31 requested but not supplied, to the Public Utilities Board.  
32

33 M) Suspension And Termination  
34

35 1) The Company may, without prejudice to its right of termination, suspend its  
36 obligations hereunder with respect to any Customer which itself or through  
37 its Broker falls into arrears in any payments required under this Service by

1 more than sixty (60) days, such suspension to last until payment is made to  
2 the Company of any outstanding amount. During such period of suspension,  
3 the Company shall, subject to its right to disconnect service to the Customer  
4 under the provisions of The Public Utilities Board Act, use its best efforts to  
5 acquire and sell gas to the Customer as Backstop Gas, with any  
6 alterations as may be necessary.  
7

8 2) Except as otherwise provided in the Terms and Conditions of this  
9 Service, the Company may terminate its obligations if there is a material  
10 breach or default of any representation, warranty, or obligation of the  
11 Customer or Broker under the Terms and Conditions of this Service or any  
12 Western Transportation Service Agreement, which is not remedied within 10  
13 days of the Company giving written notice of the breach or default to the  
14 Customer or Broker.  
15

16 3) The Company may immediately terminate its obligations under this Service  
17 if one of the following events occurs:  
18

19 a) Performance by the Company of its obligations hereunder would  
20 be in contravention of any law or regulation or any order or decision of a  
21 regulatory body or governmental authority having jurisdiction; or  
22

23 b) The Broker shall be declared or adjudged bankrupt, or if an application is  
24 made in respect of the Broker under the Companies Creditors  
25 Arrangements Act (Canada), or if a liquidator, trustee in bankruptcy,  
26 custodian, receiver, receiver and manager, moderator or any other officer  
27 with similar powers shall be appointed in place of or for the Broker, or if  
28 the Broker shall commit any act of bankruptcy or institute proceedings  
29 to be adjudged bankrupt or insolvent or consents to the appointment or  
30 the institution of such proceedings or admits in writing to an inability to pay  
31 debts generally as they become due or becomes an insolvent person as  
32 such term is defined in the Bankruptcy and Insolvency Act (Canada); or if  
33 the Broker shall have liquidated, dissolved, wound up its affairs or  
34 otherwise ceased doing business.  
35

36 4) In the event that the Company exercises its rights of termination under  
37 paragraph 2 or 3 of these provisions, the Company shall concurrently with the

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

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 Gas Commodity, and to collect from Western  
7 Transportation Service Customers the amounts so billed. The Company will provide  
8 a single bill to Customers that includes charges for volumes consumed by the  
9 Customer as Gas Commodity, as well as the Company's charges for services  
10 provided by the Company.

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

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

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

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

26  
27 B) The Broker will provide to the Company the Broker's Gas Commodity Price to be  
28 charged to the Broker's Customers.

29  
30 1) The Broker's Gas Commodity Price must be expressed in dollars per Cubic  
31 Meter of Gas Commodity consumed by the Broker's Customers.

32  
33 2) The Broker's Gas Commodity Price for Customers may be changed effective  
34 with the beginning of each calendar month.

35  
36 3) Changes to the Broker's Gas Commodity Price must be provided to the  
37 Company 45 days prior to the effective date of such change.

38

1 C) Brokers may enroll Customers in ABC Service at the same time the Customers  
2 are enrolled in Western Transportation Service. Enrollment in ABC Service will  
3 automatically end when Western Transportation Service is terminated by the Customer,  
4 the Broker or the Company.

5  
6 1) Brokers must group Customers such that all Customers in the Group are  
7 charged the same Broker's Gas Commodity Price.

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

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

16  
17 D) Bills to any Customer will be issued according to the Company's billing cycle  
18 applicable to that Customer.

19  
20 1) The Company will include the Broker's charges for Gas Commodity on every  
21 bill for natural gas service which the Company renders to the Customer.

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

26  
27 3) The Customer will make a remittance to the Company based on the total  
28 amount of charges on the bill.

29  
30 4) The Company will be responsible for collecting the total amount of charges on  
31 the bill.

32  
33 5) Payments made by Customers to the Company pursuant to bills rendered  
34 by the Company shall be made without any right of deduction or set-off and  
35 regardless of any rights the Customers may have against the Broker.

36  
37 6) Nonpayment of any amounts designated as Gas Commodity charges on the

1 bill shall entitle the Company to the same recourse as non-payment of the  
2 Company's charges, and may result in termination of service by the Company.

3  
4 7) The Company's late payment charges to Customers will apply equally to  
5 Gas Commodity charges and other charges contained on the bill. No portion of  
6 these late payment charges will be remitted to the Broker.

7  
8 E) The Company will remit to the Broker an amount equivalent to the Broker's charges  
9 for Gas Commodity subject to the Company's right to deduct and set off any amounts  
10 owing to the Company by the Broker. Remittance shall be made by the Company to  
11 the Broker for a calendar month on or before the 20th day of the month following  
12 such calendar month. If such day is not a Business Day, such amount shall be due  
13 and payable on the first Business Day following such day.

14  
15 1) Remittances will be based on the total Broker's charges for Gas Commodity  
16 billed by the Company to the Broker's Customers in that calendar month.  
17 The remittance payable by the Company to the Broker for any calendar  
18 month will be calculated as the sum of total Broker charges for Gas Commodity  
19 and any amounts payable for that month by the Company to the Broker  
20 under the Gas Loan Mechanism, less any amounts payable by the Broker to  
21 the Company, including but not limited to payments required pursuant to the  
22 Gas Loan Mechanism.

23  
24 2) Where the amounts to be deducted under subparagraph (1) are greater than  
25 the sum of Gas Commodity charges billed to the Broker's Customers and Gas  
26 Loan payments due from the Company to the Broker, the Company will invoice  
27 the Broker for the net amount to be paid by the Broker to the Company.  
28 Remittance shall be made by the Broker to the Company for a calendar month  
29 on or before the 20th day of the month following such calendar month. If such  
30 day is not a Business Day, such amount shall be due and payable on the first  
31 Business Day following such day.

32  
33 3) Remittance under ABC Service will be made regardless of the payment status  
34 on the Customer's bill.

35  
36 4) Remittance shall be made via electronic funds transfer.  
37

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

1            termination of ABC Service, each party shall continue to be liable to pay, on the  
2            terms herein specified, any amount accrued or accruing due by such party to  
3            the other at the time of termination, regardless of when such amount becomes  
4            payable.  
5

1 **IX. Rate Schedules (Base Rates Only – No Riders)**

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

4  
5 **X. Rate Schedules – Annual Rates (Base Rates Plus Riders)**

6  
7 Please see pages 3 and 4 of Appendix A as attached.

8  
9 **XI. Miscellaneous Charges for Service**

10  
11 ABC Service Fee

12 \$0.25 per customer per month

13  
14 Company Labour Rates:

15 Please see Appendix B as attached.

16  
17 Damage to Company Equipment:

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

22  
23 Equipment Rental Rate:

24 Various rates depending on equipment and customer class.

25  
26 Furnace Safety Check:

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

30  
31 Inspection/Reinspection Fees:

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

35  
36 Late Payment Charge:

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

1 mailing of the bills.

2

3 Materials:

4 Manufacturer's listed price plus freight and taxes.

5

6 Meter Relocations:

7 Various rates depending on size of meter.

8

9 Meter Test:

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

13

14 Unauthorized Over-Run Delivery Charge:

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

21

22 Unauthorized Over-Run Gas Charge:

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

26 a) 1.5 times the settled maximum daily NGX AB-NIT Same Day Index  
27 (High) as reported in the Canadian Gas Price Reporter (CGPR) during the  
28 time period that the Customer was curtailed, or

29 b) the natural gas rate in dollars per cubic metre equivalent to 1.5 times the  
30 maximum daily terminal unbranded rack price for Furnace Fuel Oil in dollars  
31 per litre that was reported in Winnipeg during the time period that the  
32 Customer was curtailed, or

33 c) the cost to the Company of obtaining replacement gas for delivery  
34 to the designated receipt point on that day.

35

36 Reconnect Fees:

37

38 On each occasion when gas service is discontinued and subsequently resumed

1 to the same Consumer at the same Premises, a reconnect fee will be charged in  
2 addition to: (a) the Basic Monthly Charge, except where a customer is  
3 disconnected in accordance with Section IV G) 2) of the Terms and Conditions  
4 of Service; and (b) the Demand Charge (if applicable) for the period of  
5 disconnection. For purposes of establishing the Monthly Demand Charge, the  
6 Demand Charge billed during the last month that service was provided will  
7 apply.

8  
9 Where a service reconnection takes place during regular business hours, a  
10 reconnect fee of \$70 (plus GST) shall be charged. Where a service reconnection  
11 takes place outside of regular working hours a reconnect fee of \$100 (plus GST)  
12 shall be charged.

13  
14 In the event that the meter, regulation equipment and/or service line are  
15 removed and replaced on the same Premises within five years of removal, the  
16 Company may charge an additional fee equal to the cost of resetting the meter  
17 and regulator and installation of the new service line.

18  
19 **Returned Cheque Charge:**

20 When a Consumer's cheque is returned by banks or other financial institutions for  
21 reasons beyond the control of the Company, a returned cheque charge of \$20.00  
22 will be assessed to the Customer.

23  
24 **Security Deposits:**

25 Three highest months consumption to a maximum of \$225.

26  
27 **Temporary Disconnection:**

28 In situations where a Premise is renovated, demolished or altered such that  
29 temporary removal of the Company's equipment is required, the Company may  
30 charge a cost based fee for re-establishing the natural gas service.

31  
32 **Service Relocations and Alterations**

33 Where a customer requests, or where the customer's conduct requires, that an  
34 existing meter, regulator and/or service line be altered or relocated (so that it  
35 follows a different route from that chosen by the Company when it was initially  
36 installed or alters the existing configuration), the Company may require and the  
37 Customer shall pay all costs associated with the alteration or relocation, including

- 1           the material, labour, and equipment required to perform the alteration or
- 2           relocation.
- 3
- 4 Yard Services:
- 5           Materials plus 40% plus labour.

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

1	<b>Territory:</b>	Entire natural gas service area of Company, including all zones				
2						
3	<b>Availability:</b>					
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 <sup>3</sup>				
6	HVF:	For gas delivered through one meter at annual volumes greater than 680,000 m <sup>3</sup>				
7	MLC:	For gas delivered through one meter to customers served from the Transmission system				
8	Special Contract:	For gas delivered under the terms of a Special Contract with the Company				
9	Power Station:	For gas delivered under the terms of a Special Contract with the Company				
10						
11	<b>Rates:</b>		<u>Sales Service</u>			<u>T-Service</u>
			<u>Transportation</u>	<u>Distribution</u>		<u>Distribution</u>
		<u>Gas Commodity</u>	<u>to</u>	<u>to Customer</u>	<u>Delivery</u> <sup>1)</sup>	<u>to Customer</u>
			<u>Centra</u>		<u>1+2</u>	<u>(Delivery<sup>2)</sup></u>
			<u>1</u>	<u>2</u>		
12						
13	<b>Basic Monthly Charge: (\$/month)</b>					
14	Small General Class (SGC)	N/A	N/A	\$14.75	N/A	N/A
15	Large General Class (LGC)	N/A	N/A	\$85.00	N/A	N/A
16	High Volume Firm (HVF)	N/A	N/A	\$1,308.60	N/A	\$1,308.60
17	Main Line Class (MLC)	N/A	N/A	\$1,306.98	N/A	\$1,306.98
18	Special Contract	N/A	N/A	N/A	N/A	\$89,249.92
19	Power Station	N/A	N/A	N/A	N/A	\$72,447.88
20						
21	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
22	High Volume Firm Class (HVF)	N/A	\$0.2407	\$0.2524	\$0.4931	\$0.2524
23	Main Line Class (MLC)	N/A	\$0.2524	\$0.2272	\$0.4796	\$0.2272
24	Special Contract	N/A	N/A	N/A	N/A	N/A
25	Power Station	N/A	N/A	N/A	N/A	\$0.0000
26						
27	<b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
28	Small General Class (SGC)	\$0.0850	\$0.0458	\$0.1004	\$0.1462	N/A
29	Large General Class (LGC)	\$0.0850	\$0.0437	\$0.0574	\$0.1011	N/A
30	High Volume Firm (HVF)	\$0.0850	\$0.0115	\$0.0126	\$0.0241	\$0.0126
31	Main Line Class (MLC)	\$0.0850	\$0.0028	\$0.0030	\$0.0058	\$0.0030
32	Special Contract	N/A	N/A	N/A	N/A	\$0.0001
33	Power Station	N/A	N/A	N/A	N/A	\$0.0030
34						
35	<sup>1</sup> Delivery Rate (Sales Service) represents combined Transportation to Centra and Distribution to Customers Rates					
36	<sup>2</sup> Delivery Rate (T-Service) equals to Distribution Rate					
37						
38	<b>Minimum Monthly Bill:</b>	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
39						
40	<b>Effective:</b>	Rates to be charged for all billings based on gas consumed on and after May 1, 2026				

**Approved by Board Order: 60/26**  
**Effective from: May 1, 2026 Date**  
**Implemented: May 1, 2026**

**Supersedes Board Order: 13/26**  
**Supersedes: February 1, 2026 Rates**

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

1	<b>Territory:</b>	Entire natural gas service area of Company, including all zones.				
2						
3	<b>Availability:</b>	For any Consumer at one location whose annual natural gas requirements equal or exceed 680,000m <sup>3</sup> 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	<b>Rates:</b>		<u>Sales Service</u>			<u>T-Service</u>
6			<u>Transportation</u>	<u>Distribution</u>		<u>Distribution to</u>
		<u>Gas Commodity</u>	<u>to</u>	<u>to Customer</u>	<u>Delivery</u> <sup>1)</sup>	<u>Customer</u>
			<u>1</u>	<u>2</u>	<u>1+2</u>	<u>(Delivery</u> <sup>2)</sup>
7						
8	<b>Basic Monthly Charge: (\$/month)</b>					
9	Interruptible Service	N/A	N/A	\$1,409.45	N/A	\$1,409.45
10	Mainline Interruptible (with firm delivery)	N/A	N/A	\$1,306.98	N/A	\$1,306.98
11						
12	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
13	Interruptible Service	N/A	\$0.0777	\$0.2297	\$0.3074	\$0.2297
14	Mainline Interruptible (with firm delivery)	N/A	\$0.1195	\$0.2272	\$0.3467	\$0.2272
15						
16	<b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
17	Interruptible Service	\$0.0850	\$0.0061	\$0.0129	\$0.0190	\$0.0129
18	Mainline Interruptible (with firm delivery)	\$0.0850	\$0.0030	\$0.0030	\$0.0060	\$0.0030
19						
20	<b>Alternate Supply Service:</b>			Negotiated		
21	Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
22	Delivery - Interruptible Class			\$0.0129		
23	Delivery - Mainline Interruptible Class			\$0.0030		
24						
25	<sup>1</sup> Delivery Rate (Sales Service) represents combined Transportation to Centra and Distribution to Customers Rates					
26	<sup>2</sup> Delivery Rate (T-Service) equals to Distribution Rate					
27						
28	<b>Minimum Monthly Bill:</b>	Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
29						
30	<b>Effective:</b>	Rates to be charged for all billings based on gas consumed on and after May 1, 2026				

**Approved by Board Order: 60/26**  
**Effective from: May 1, 2026 Date**  
**Implemented: May 1, 2026**

**Supersedes Board Order: 13/26**  
**Supersedes: February 1, 2026 Rates**

**CENTRA GAS MANITOBA INC.**  
**FIRM SALES AND DELIVERY SERVICES**  
**RATES SCHEDULES (BASE RATES PLUS RIDERS)**

1	<b>Territory:</b>	Entire natural gas service area of Company, including all zones				
2						
3	<b>Availability:</b>					
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 <sup>3</sup>				
6	HVF:	For gas delivered to natural gas distribution cooperatives				
7	MLC:	For gas delivered through one meter to customers served from the Transmission system				
8	Special Contract:	For gas delivered under the terms of a Special Contract with the Company				
9	Power Station:	For gas delivered under the terms of a Special Contract with the Company				
10						
11	<b>Rates:</b>		<b>Sales Service</b>			<b>T-Service</b>
			<b>Transportation</b>	<b>Distribution</b>	<b>Delivery</b>	<b>Distribution to</b>
		<b>Gas Commodity</b>	<b>to</b>	<b>to Customer</b>	<b>Delivery</b> <sup>1)</sup>	<b>Customer</b>
			<b>Centra</b>			<b>(Delivery</b> <sup>2)</sup>
			<b>1</b>	<b>2</b>	<b>1+2</b>	
12						
13	<b>Basic Monthly Charge: (\$/month)</b>					
14	Small General Class (SGC)	N/A	N/A	\$14.75	N/A	N/A
15	Large General Class (LGC)	N/A	N/A	\$85.00	N/A	N/A
16	High Volume Firm (HVF)	N/A	N/A	\$1,308.60	N/A	\$1,308.60
17	Main Line Class (MLC)	N/A	N/A	\$1,306.98	N/A	\$1,306.98
18	Special Contract	N/A	N/A	N/A	N/A	\$89,249.92
19	Power Station	N/A	N/A	N/A	N/A	\$72,447.88
20						
21	<b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
22	High Volume Firm Class (HVF)	N/A	\$0.2407	\$0.2524	\$0.4931	\$0.2524
23	Main Line Class (MLC)	N/A	\$0.4050	\$0.2271	\$0.6321	\$0.2271
24	Special Contract	N/A	N/A	N/A	N/A	N/A
25	Power Station	N/A	N/A	N/A	N/A	\$0.0000
26						
27	<b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
28	Small General Class (SGC) <sup>2</sup>	\$0.0700	\$0.0458	\$0.1130	\$0.1588	N/A
29	Large General Class (LGC)	\$0.0700	\$0.0437	\$0.0700	\$0.1137	N/A
30	High Volume Firm (HVF)	\$0.0700	\$0.0115	\$0.0252	\$0.0367	\$0.0126
31	Main Line Class (MLC)	\$0.0700	\$0.0086	\$0.0189	\$0.0275	\$0.0021
32	Special Contract	N/A	N/A	N/A	N/A	\$0.0001
33	Power Station	N/A	N/A	N/A	N/A	\$0.0030
34						
35	<sup>1</sup> Delivery Rate (Sales Service) represents combined Transportation to Centra and Distribution to Customers Rates					
36	<sup>2</sup> Delivery Rate (T-Service) equals to Distribution Rate					
37						
38						
39	<b>Minimum Monthly Bill:</b>	Equal to the Basic Monthly Charge as described above, plus Demand Charge as appropriate.				
40						
41	<b>Effective:</b>	Rates to be charged for all billings based on gas consumed on and after May 1, 2026				

**Approved by Board Order: 60/26**  
**Effective from: May 1, 2026 Date**  
**Implemented: May 1, 2026**

**Supersedes Board Order: 13/26**  
**Supersedes: February 1, 2026 Rates**

**CENTRA GAS MANITOBA INC.**  
**INTERRUPTIBLE SALES AND DELIVERY SERVICES**  
**RATE SCHEDULES (BASE RATES PLUS RIDERS)**

1 **Territory:** Entire natural gas service area of Company, including all zones.

2

3 **Availability:** For any Consumer at one location whose annual natural gas requirements equal or exceed 680,000m<sup>3</sup> 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 <b>Rates:</b>	6 <b>Gas Commodity</b>	7 <b>Sales Service</b>			8 <b>T-Service</b>
		9 <b>Transportation to Centra</b>	10 <b>Distribution to Customer</b>	11 <b>Delivery<sup>1)</sup></b>	12 <b>Distribution to Customer (Delivery<sup>2)</sup></b>
16 <b>Basic Monthly Charge: (\$/month)</b>					
17 Interruptible Service	N/A	N/A	\$1,409.45	N/A	\$1,409.45
18 Mainline Interruptible (with firm delivery)	N/A	N/A	\$1,306.98	N/A	\$1,306.98
19					
20 <b>Monthly Demand Charge (\$/m<sup>3</sup>/month)</b>					
21 Interruptible Service	N/A	\$0.1398	\$0.2299	\$0.3697	\$0.2299
22 Mainline Interruptible (with firm delivery)	N/A	\$0.1816	\$0.2271	\$0.4087	\$0.2271
23					
24 <b>Commodity Volumetric Charge: (\$/m<sup>3</sup>)</b>					
25 Interruptible Service	\$0.0700	\$0.0031	\$0.0287	\$0.0318	\$0.0086
26 Mainline Interruptible (with firm delivery)	\$0.0700	\$0.0000	\$0.0189	\$0.0189	\$0.0021
27					
28 <b>Alternate Supply Service:</b>			Negotiated		
29 Gas Supply (Interruptible Sales and Mainline Interruptible)			Cost of Gas		
30 Delivery - Interruptible Class			\$0.0129		
31 Delivery - Mainline Interruptible Class			\$0.0030		
32					
33 <sup>1</sup> Delivery Rate (Sales Service) represents combined Transportation to Centra and Distribution to Customers Rates					
34 <sup>2</sup> Delivery Rate (T-Service) equals to Distribution Rate					
35					
36 <b>Minimum Monthly Bill:</b>	37 Equal to Basic Monthly Charge as described above, plus Demand charges as appropriate.				
38					
39 <b>Effective:</b>	40 Rates to be charged for all billings based on gas consumed on and after May 1, 2026				

**Approved by Board Order: 60/26**  
**Effective from: May 1, 2026 Date**  
**Implemented: May 1, 2026**

**Supersedes Board Order: 13/26**  
**Supersedes: February 1, 2026 Rates**

**Appendix B - Schedule of Sales and Transportation Services and Rates**  
**Company Labour Rates Effective November 1, 2025**

<b>Service Type</b>	<b>Location</b>	<b>Regular Hourly Rate</b>	<b>Overtime Hourly Rate</b>
Service Line Alterations	All Areas	\$152.00	\$212.00
Damage Repairs	All Areas	\$152.00	\$212.00
Damage Investigation	All Areas	\$171.00	\$240.00
Appliance Relights	All Areas	\$152.00	\$212.00
Metering Services	All Areas	\$160.00	\$225.00
"As Built" Plans	All Areas	\$144.00	\$202.00

**Approved by PUB Order No.:** 138/25  
**Date of Board Order:** October 30, 2025

**Transportation Service Balancing Fee Structure**

	<b>Level of Imbalance</b>	<b>Balancing Fee</b>
<b>Daily Fee</b>	Less than 2%	0
Tier 1	2% up to 4%	0.2 times FTD, <b>times 50%</b>
Tier 2	4% up to 8%	0.5 times FTD, <b>times 50%</b>
Tier 3	8% up to 10%	0.75 times FTD, <b>times 50%</b>
Tier 4	10% or Greater	1.0 times FTD, <b>times 50%</b>
<b>Cumulative Fee</b>	Less than 4%	0
Tier 1	4% up to 6%	0.15 times FTD, <b>times 50%</b>
Tier 2	6% of Greater	0.25 times FTD, <b>times 50%</b>
<p><i>Where, FTD (FT daily demand charge) is the approved Canada Energy Regulator reference toll for calculating all TCPL Mainline balancing fee</i></p>		

Transportation Service customers are afforded daily balancing tolerance of 14% of their average daily consumption over the prior 12 months, capped by minimum and maximum daily tolerances of +/- 100 GJ and +/- 1,000 GJ respectively. Cumulative balancing tolerance is twice the daily tolerance. Tolerances will be recalculated in advance of each gas year, based on consumption from October 1 to September 30, and will be communicated to customers by mid-October each year.

**Approved by PUB Order No.: 138/25**

**Date of Board Order: October 30, 2025**