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November 7, 2005

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, B.C. V6Z 2N3

Attention: Mr. R.J. Pellatt, Commission Secretary

Dear Sir:

**RE: Terasen Gas Inc. ("Terasen Gas")
2005 Annual Review
Response to Information Requests ("IR")**

Please find attached Terasen Gas's response to British Columbia Utilities Commission ("Commission") IR No. 1 and British Columbia Old Age Pensioners Organization ("BCOAPO") IR No. 1.

Should you have any questions concerning this application, please contact Tom Loski at (604) 592-7464.

All of which is respectfully submitted,

TERASEN GAS INC.

Original signed by Tom Loski

For: Scott A. Thomson

cc: Registered Intervenors

1.0 Reference: Tab B-2 p.3, SQI and Benchmarks – Emergency Response Time

“Terasen Gas reviewed its emergency response processes and implemented some changes which have led to an improving trend in the response time.”

1.1 Describe the changes that TGI has implemented to improve the emergency response time and when were these changes completed.

Response:

In August 2005, emergency response procedures were changed in the Lower Mainland to address the upward creep in the 2005 Emergency Response Time. The upward creep was largely due to increased traffic congestion, particularly in the Lower Mainland. In an effort to manage the Emergency Response Time, the new procedures continue to employ two First Response units that are separately dispatched to emergencies in the Lower Mainland but also utilize the new CLICK dispatching system to help locate the closest maintenance crew. As in the past the first unit is a customer service person and the other unit is a construction/emergency crew. The likelihood of both response units getting delayed in traffic, particularly due to roadwork delays, is less likely than one unit especially if they are on job sites in different locations. Since the implementation of this change, the emergency response time has improved despite increased activity levels.

Terasen Gas also conducted internal education with managers, office and field employees with respect to the importance of this SQI. This education is particularly significant with field employees as they generally have to interrupt a scheduled job in order to respond to an emergency.

The Company anticipates further challenges may arise in the deployment of resources for emergency response resulting from traffic congestion with continued growth in the region and due to the major arterial highway upgrade projects scheduled prior to the 2010 Olympics.

1.2 Please provide the records which show the improving trend in the response time.

Response:

<u>Year</u>	<u>Number</u>	<u>Emergency Response Time</u>
1Q2005 (3 months)	226 responses	21.7 minutes
2Q2005 (3 months)	467 responses	22.7 minutes
3Q2005 (3 months)	506 responses	21.3 minutes
August 2005	184 responses	22.0 minutes (included in 3Q2005)
September 2005	190 responses	20.5 minutes (included in 3Q2005)

2.0 Reference: Tab B-2 p.6, SQI and Benchmarks – Transmission System Integrity

2.1 Given that the Transmission System Reportable Incidents of 3 for the years 2003 to 2005 has not met the benchmark level of 2, please identify the causes of this service quality indicator falling short of the benchmark.

Response:

For the Transmission System Annual Reportable Incidents, the benchmark of 2 was based on a three-year average from 2001 to 2003. Terasen Gas steadily reduced the number of Transmission System Reportable Incidents from 6 in 1997, to zero in 1999. Since that time, the number has ranged from 1 per year (2001) to 3 per year (2000, 2003, 2004, and 2005YTD). The number of reportable incidents in 2003, 2004 and 2005YTD remained steady at 3 for each year, and exceeded the SQI benchmark of 2. No single cause can be identified for the incidents. The incident types and causes have varied widely, including third-party damage in marked transmission rights-of-way, various types of leaks, and material failures of components in regulator stations.

2.2 What steps have TGI taken to improve this SQI? If none have been taken, please explain why.

Response:

Terasen Gas treats every Transmission System Reportable Incident as an important matter, and as an opportunity to improve its processes and procedures. Terasen Gas continues to review its integrity management programs and maintenance activities on an ongoing basis to ensure they are adequate, and reportable incidents are explicitly considered in that process.

A review of the reportable incidents for the past three years indicates that 6 incidents were leaks. Only one of the 6 leaks indicated deficiencies in Terasen Gas' current programs or procedures. The work procedure in that instance was a causal factor, and following a review of the incident, the work procedure was changed to reduce the likelihood of recurrence.

Of the 3 reportable incidents during the past three years that were not leaks, one involved a fatal injury to a contractor equipment operator near Rossland in 2003. Terasen Gas has diligently worked with WorkSafeBC (Workers Compensation Board) to ensure that all Terasen Gas employees on similar jobsites have been made aware of those circumstances and mandatory actions are required to prevent similar incidents in the future.

3.0 Reference: Tab A-6 p.1, Property Tax, Tab B-4 pp 2.3, Mitigation Plan

3.1 *Please confirm that the expected 2005 tax savings of \$139,600 have been included in the total projected 2005 property taxes.*

Response:

Yes, the expected tax savings of \$139,600 have been included in the 2005 projected property taxes.

3.2 *"If Terasen Gas is successful with current mitigation efforts, future property tax savings could reach \$897,000." What is the estimated tax savings for 2006 and have any savings been included in the 2006 forecast property tax of \$41,379,233? If not why not?*

Response:

The estimated tax savings incorporated in the 2006 forecast property tax is \$397,000. This relates to item 7 discussed on Page 4 of Tab B-4.

The balance of the savings related to current mitigation efforts discussed in item 8 on Page 4 of Tab B-4 contain a high degree of uncertainty. The outcome will require a change in legislation that Terasen Gas is currently lobbying for with several other utilities. Therefore, no estimated tax savings related to item 8 have been included in the 2006 forecast property tax. If Terasen Gas is successful with these mitigation efforts, the savings achieved in 2006 will be deferred and credited to customers in 2007.

4.0 Reference: Tab B-6 pp.1-3, Accounting Changes

4.1 Please provide a copy of the CICA Handbook section pertaining to Accounting for Rate Regulated Enterprises. Highlight the relevant sections and subsections. Please provide the most recent CICA review document regarding the Accounting for Rate Regulated Enterprises which may eliminate the regulatory deferral accounts. If the changes were implemented, what impact would the elimination have on the 2006 Revenue Requirement?

Response:

Currently there is no existing CICA Handbook section pertaining to Accounting for Rate Regulated Enterprises, and the Accounting Standards Board (“AcSB”) is contemplating issuing an exposure draft in the spring of 2006 to specifically address recognition and measurement issues for Rate Regulated Enterprises.

The latest available information provided by the CICA on their website, from a meeting of the Accounting Standards Board on December 1st and 2nd, 2004 stated that:

“After further deliberations on recognition issues relating to rate-regulated operations, the AcSB:

- agreed that in order for rate regulation to create an asset or liability, the regulator’s actions must result in the entity having an unconditional right (or obligation) to charge higher (or lower) rates in the future;*
- agreed that the right or obligation conferred by the regulator should be capable of meeting the criteria under Section 1581, Business Combinations, for recognizing an identifiable intangible asset separately from goodwill; and*
- directed staff to invite entities subject to rate regulation and other interested stakeholders to provide actual fact patterns demonstrating how a regulator’s actions can create unconditional rights and obligations meeting the above-mentioned criteria.”*

The comments made by the AcSB at their meeting continue to demonstrate their misgivings as to whether that regulatory deferral accounts meet the definition of an asset, which is why the Company has alerted stakeholders of the issue in the annual review submission.

In March 2005, the AcSB issued an Invitation to Submit Fact Patterns. Stakeholders intending to make submissions were asked to do so by May 31, 2005. The Company submitted two letters to the Accounting Standards Board dated May 12, 2005 and May 25, 2005. The BCUC issued a letter dated May 30, 2005 to the Accounting Standards Board fully supporting the Company’s position about the importance of maintaining the current accepted accounting principles for rate regulated enterprises.

There have been no further updates by the CICA subsequent to the deadline for submissions at May 31st that we can provide to the BCUC at this time.

As no published guidance exists at this stage, the value of any impact on the 2006 Revenue Requirement that might occur due to the elimination of regulatory deferral accounts is very uncertain as to the likelihood and amount. As such, Terasen Gas does not feel comfortable making an estimate on the impact.

5.0 Reference: Tab B-6 pp.1-3, Vehicle Leasing

5.1 *What is Terasen Gas' contract term with PHH for this leasing arrangement? Please file a copy of the agreement which became effective November 1, 2005.*

Response:

Terasen Gas' contract term with PHH for this leasing arrangement is shown in Section 4 of the Operating Lease agreement with PHH. Section 4 stipulates that "the Lease Term of a vehicle may not be less than twelve (12) months". The lease can be terminated at any time after each vehicle has been in service for a minimum 12-month period.

A copy of the Operating Lease Agreement is attached under Appendix 5.1 of this filing.

5.2 *The advance material filed indicated that Terasen Gas has conducted a lease v. buy economic analysis and concluded that the lease option was the most preferential for Terasen Gas customers as it yields a lower revenue requirement. Please file a copy of this analysis.*

Response:

The complete lease versus purchase analysis is attached in Appendix 5.2. The following table summarizes the comparative present values of the revenue requirements (Line 37 of page 1 of each analysis). The present value of the lease option is approximately \$7.7 million less than purchasing the vehicles.

	Present Value 2006 – 2013
Purchase Vehicles	\$39,765
Lease Vehicles	\$32,061
Difference	\$7,704

The analysis was performed prior to the recent reduction in the provincial tax rates. Updating for the revised current tax rates would change the absolute values but not the ranking leading to the decision.

Operating and maintenance expense, capital additions, proceeds from disposal of purchased vehicles and retirements were incremented by the estimated rate of inflation (2%) post 2006.

Lease payments were based on the previous year plus 16.5% of the net addition (addition – retirements) in the current year from the purchase option.

Forty percent (40%) of the operating and maintenance expense and lease payments are directly capitalized to gas plant in service as the vehicles are used for construction activities. A further 16% is capitalized as part of the overhead capitalized. The O&M capitalized for tax purposes were added to the Class 1 CCA pool. (37.5% of the overhead capitalized is expensed for tax purposes). In the purchase option, vehicles purchased are added to the Class 10 CCA pool.

In the purchase option the vehicles have been depreciated at 12.5% per year straight-line.

In the future, if the purchase option should become the lower cost alternative, Terasen Gas would evaluate its options at that time.

5.3 *“The projected net book value of the vehicles as carried on the books of BC Hydro at October 31, 2005 is estimated to be \$8.619 million.” Please provide supporting evidence of this statement.*

Response:

Please refer to Appendix 5.3 to view a copy of the Vehicle Sale and Transfer Agreement letter dated October 31, 2005 which was sent to BC Hydro confirming the \$8.619 million amount (or \$9.312 million after the inclusion of GST and Provincial sales tax) owed to BC Hydro. A detailed schedule, by unit number, of the Net Book Value amount owing to BC Hydro is also included under Appendix 5.3.

5.4 *"PHH conducted a fair market value evaluation of these vehicles considered for the buyback....established the fair market value to be \$7.186 million."*

5.4.1 *Please provide a copy of the fair market evaluation.*

Response:

A copy of the fair market evaluation conducted by PHH is filed under Appendix 5.4.1.

PHH's business practice is to purchase used vehicles based on the current market value since PHH can only finance actual fair market value. Current market value is determined by taking the original capital cost and deducting from it the accumulated depreciation as calculated in accordance with generally accepted industry depreciation practice.

5.4.2 *Please explain why Terasen Gas is responsible for the difference between the market value and BC Hydro's book value?*

Response:

Section 7 clause of the Vehicle Service Agreement dated April 1st, 1993 between BC Hydro and BC Gas Utility Ltd (predecessor to Terasen Gas Inc.) specifically states that Terasen Gas is responsible for the difference between the market value and the BC Hydro book value. Accordingly, Terasen Gas is contractually responsible for the difference between the market value and BC Hydro's book value.

An excerpt of Section 7 clause of the agreement:

"BC Gas shall purchase from B.C. Hydro such vehicles owned by B.C. Hydro at the net book value of such vehicles as set forth in B.C. Hydro's accounts prepared in accordance with generally accepted accounting principles."

The reason for the difference between the BC Hydro Net Book Value and the Fair Market value is that the depreciation rates employed by BC Hydro are based on depreciation period that is longer than the useful life of the assets. As PHH can only finance actual fair market value, the differential needs to be recovered from Terasen Gas customers, as Terasen Gas customers benefited until now by paying lower lease costs.

Terasen Gas has therefore proposed to defer the net book value difference of \$1.433 million, plus 7% provincial sales tax and recover it through amortization expense over a 3 year period commencing January 1, 2006. This is based upon a PHH estimate that the remaining useful life of the vehicles is 3.5 years. The increase in amortization expense is mitigated by the effects of a lower depreciation base that PHH is calculating future depreciation on (\$7.186 million vs. \$8.619 million). As well, the proposed arrangement preserves the PBR settlement terms whereby vehicle lease costs are to be treated as a flow-through item. This recovery approach is fair as the continuation of the arrangement with BC Hydro would have required Terasen Gas customers to pay for this \$1.433 million plus 7% provincial sales tax.

5.5 *As per page 2, the 2006 annual operating lease savings under PHH is \$111,000. How are the savings treated in 2006?*

Response:

The 2006 operating lease savings under PHH of \$111,000 has been treated as a reduction to vehicle lease costs from 2005 level of \$1,915,000 to 2006 level of \$1,804,000 in setting 2006 rates. In other words, customers of Terasen Gas will realize the benefit of the savings.

6.0 Reference: Tab A-3, pp.7.1, 8 Computer Software – Infrastructure/Custom

6.1 What are the 2006 computer software retirement totaling \$27,351? Please provide a breakdown of the retired assets along with the associated accumulated depreciation.

Response:

The following Infrastructure/Custom computer software assets comprised the 2006 computer software retirement total \$27,351:

	<u>Cost</u>	<u>Accum. Depn.</u>
• SAP Implementation	\$21,814	(\$21,814)
• WMS(Work Management System)/AMFM/MICS (Measurement Information and Computation System)	5,500	(5,500)
• Meter Management System	19	(19)
• GSA Application and Development Enhancement	18	(18)
2006 Forecast Retirements	<u>\$27,351</u>	<u>(\$27,351)</u>

6.2 Please explain the tax savings for the retirement of \$15,842 from Contribution in Aid of Construction.

Response:

For tax purposes, software has a Capital Cost Allowance (“CCA”) rate of 100%. After applying the half-year rule, computer software is deducted at 50% in year one and 50% in year two.

Software tax savings, which are part of Contributions in Aid of Construction, are calculated by adding half of the current year additions for tax purposes to half of the prior year additions for tax purposes and multiplying the result by the tax rate. The software tax savings are amortized using the same rate as the underlying asset (12.5% in the case of Infrastructure/Custom software).

When the software tax savings assets have been fully amortized, amortization stops and the assets are retired. The 2006 software tax savings retirement is comprised of 50% of 1998 additions for tax purposes and 50% of 1999 additions for tax purposes multiplied by the applicable tax rate in 1999.

6.3 Please identify what these retired software were used for and the age of the software.

Response:

The description of the retired software has been itemized in the response to question 6.1. The assets in this asset class are depreciated over 8 years. All of the assets forecast to be retired in 2006 are fully depreciated (i.e. 8 years old) as of the end of December 31, 2006.

6.4 *Please explain the reason for these retirements.*

Response:

Terasen Gas has followed the General Plant method of accounting (commonly used throughout the utility industry) since the year 2000. Assets in general plant asset classes are depreciated to the end of their allowed life and then retired. Although the assets noted in the response to question 6.1 continue to be used by Terasen Gas, the net book value at the end of 2006 is zero, and as such, depreciation will no longer be applied and recovered from customers in rates and the assets will be retired.

7.0 Reference: Tab B-1, p.13, Major Capital Plan – IT

7.1 Please describe Terasen Gas' strategy and refresh cycle for the replacement of desktop and laptop computers.

Response:

Terasen Gas' current refresh strategy is to replace desktop computers in their 5th year of use and laptops in their 4th year of use. In addition, the hardware and core software standards are reviewed on an annual basis. Most items are donated with the remainder either being sold or disposed if the item is non-working.

Terasen Gas' standard is defined based on: industry best practices and IT operational data. The overall objective of the refresh cycle is to optimize the overall total cost of ownership, (which includes: acquisition; hardware maintenance and warranty costs), while achieving productivity improvements through increased computing performance and minimized downtime due to hardware failure.

7.2 Given the estimated cost of units to be refreshed in 2006 is \$1.0 million; please identify the number of desktop and laptop computers that will be replaced and the timeline for completion. Please indicate what percentage of the total desktop and laptop this replacement would represent.

Response:

Terasen Gas plans to replace 181 desktops and 153 laptops, representing 21% and 34% of the total number of units of desktops and laptops respectively. The combined total (334) represents approximately 25% of the total number of units. The plans for replacement are based on the initial purchase date of the equipment.

The 2006 expenditure for the desktop and laptop refresh project is expected to be completed by the third quarter of 2006.

7.3 The advance material indicates this is an annual project with the number of units replaced on an annual basis depending on how long the computers have been in service, therefore, why is there cost projected only for the 2006 and 2010 year?

Response:

TGI defines Major Capital Projects as those discrete projects that are in excess of \$1.0 million (excluding AFUDC) on an annual basis. The 5 Year Major Capital Plan only identifies recurring capital projects, such as the Desktop and Laptop Refresh project, when they exceed the \$1.0 million threshold. Currently, 2006 and 2010 are the only 2 years when forecasted capital expenditures for the ongoing project exceed the \$1.0 million threshold and as such meet the criteria to be included as a discrete item in the 5 Year Major Capital Plan. For 2007, 2008 and 2009, expenditures related to this annual project were less than the \$1.0 million threshold discussed above.

8.0 **Reference: Tab A-3, p.11, OSC Compliance Costs**

8.1 Please explain the incremental internal resourcing costs of \$212,000 for 2005 and \$253,125 for 2006.

Response:

The 2005 incremental resourcing costs of \$212,000 represent labour costs for a resource contracted by TGI to assist with documentation of internal control over financial reporting, plus a portion of incremental labour costs incurred by Terasen Inc. to conduct quality assurance review and assessment of design of internal control over financial reporting of TGI processes. The original costs were adjusted to allocate a portion of costs to TGV as well.

The 2006 incremental resourcing costs of \$253,125 represent estimated labour costs for a TGI resource to update documentation of internal controls over financial reporting plus a portion of incremental labour costs to be incurred by Terasen Inc. to conduct quality assurance review, assessment of design, and testing of effectiveness of internal control over financial reporting of Terasen Gas processes. These costs include an increase in annual labour costs for the TGI resource.

Details of the cost make up follows:

Internal Source	#FTE @ Annual \$	2005 Incremental Internal Resource				2006 Incremental Internal Resource		
		Original		Adjusted		#FTE @ Annual \$	%	Cost
		%	Cost	%	Cost			
Terasen Inc.	2 @ \$125k	50%	125,000	45%	\$ 112,500	2.5 @ \$125k	45%	\$ 140,625
Terasen Gas Inc.	1 @ \$87k	100%	87,000	90%	\$ 78,300	1 @ \$125k	90%	\$ 112,500
			<u>212,000</u>		<u>\$ 190,800</u>			<u>\$ 253,125</u>

8.2 Why is the increase for 2005 and 2006 so significant compared to 2004?

Response:

The increase in 2005 and 2006 is directly attributable to the significant escalation in work effort that is required for each ensuing stage of certification compliance. The major activities in each of the 3 years are as follows:

2004 – Certification compliance efforts commenced part way into the year when initial OSC certification requirements came into effect beginning with the first quarter. Major activities included:

- development and implementation of quarterly and annual “bare” certification process;
- scoping and planning;
- commencement of documentation of disclosure processes; and,
- commencement of documentation of financial reporting processes.

2005 – Major activities include:

- continuation of the “bare” certification process;
- documentation, quality assurance review, and assessment of design of disclosure processes and controls;
- documentation, quality assurance review, and assessment of design of internal control over financial reporting;
- testing of operating effectiveness of disclosure processes and controls; and,
- pilot testing of operating effectiveness of internal control over financial reporting.

2006 – Major activities to include:

- development and implementation of a “full” certification process;
- documentation, quality assurance review, and assessment of design of updated disclosure processes and controls;
- documentation, quality assurance review, and assessment of design of updated internal control over financial reporting;
- testing of operating effectiveness of disclosure processes and controls;
- testing of operating effectiveness of internal control over financial reporting; and,
- one-time auditor attestation set-up fees required in 2006 for Sarbanes-Oxley compliance instead of a year later in 2007 for OSC compliance.

8.3 *What work is being performed in 2005 and 2006 compared to 2004?*

Response:

See response to question 8.2 for details of work in 2005 and 2006 compared to 2004.

8.4 *Are there additional staff hired to undertake this work or is there a reallocation of resources and cost from other OM&A functions?*

Response:

Yes, additional resources have been and continue to be hired / contracted to assist with documentation, quality assurance review, assessment of design, and testing of effectiveness of disclosure processes and controls and internal control over financial reporting.

Where existing resources with appropriate internal control skill-sets are available internally (i.e. Internal Audit Services), these resources are drawn from as a primary source of staffing. However, the current level of internal resourcing is not sufficient to complete all the required work for certification compliance. Incremental internal resources are hired and external consultants (i.e. Deloitte & Touche) are contracted as necessary to provide specific expertise and to alleviate the internal resourcing shortfall.

For each business process included in-scope for certification compliance efforts, there is a corresponding “Process Owner”. Process Owners are involved in documentation and testing efforts and are responsible for development and implementation of plans for remediation of control deficiencies. These efforts are undertaken by Process Owners in addition to their regular operating responsibilities.

8.4.1 If there is a reallocation of resources, please identify which OM&A functions have shown a corresponding decrease in 2005 and 2006?

Response:

As indicated in response to question 8.4 above, all certification compliance efforts undertaken by Process Owners are in addition to their regular operating responsibilities. Accordingly, there are no corresponding decreases in OM&A functions for 2005 and 2006.

9.0 Reference: Tab A-3, pp. 13, 13.1, 13.2, 13.3, Commission Order No. G-98-05

9.1 Please provide a detail breakdown of the additions in the Midstream Cost Reconciliation Deferral Account ("MCRA") of \$6.6 million for the 2005 year and \$2.6 million for the 2006 year.

Response:

The 2005 projected additions (in millions of dollars) are comprised of:

<u>Actual Additions to MCRA Recorded Jan-Sept 2005</u>	<u>Oct-05 Projection</u>	<u>Nov-05 Projection</u>	<u>Dec-05 Projection</u>	<u>2005 Projected Gross Additions</u>
7.4	(4.0)	(8.0)	(2.0)	<u>(6.6)</u>

The 2006 forecasted additions (in millions of dollars) are comprised of:

<u>Jan-06</u>	<u>Feb-06</u>	<u>Mar-06</u>	<u>Apr-06</u>	<u>May-06</u>	<u>Jun-06</u>	<u>Jul-06</u>	<u>Aug-06</u>	<u>Sep-06</u>	<u>Oct-06</u>	<u>Nov-06</u>	<u>Dec-06</u>	<u>Total Gross Additions</u>
(5.0)	(13.9)	3.0	0.1	1.0	2.0	1.0	0.1	2.0	(2.0)	6.1	3.0	<u>(2.6)</u>

Note that 2005 projections and 2006 forecasts have been prepared utilizing October 4, 2005 forward curve pricing.

9.2 Please provide a detail breakdown of the additions in the SCP PG&E Contract Cancellation Deferral Account for \$825,000 in the 2005 year and zero in the 2006 year.

Response:

Pursuant to Commission Order No. G-98-05, the Commission approved the recording in the SCP Deferral Account of the PG&E contract termination payments for the period November 2004 through December 2005, of \$962,500. The portion relating to 2005 is \$825,000 as calculated below:

$\$962,500 / 14 \text{ months} = \$68,750 \times 12 \text{ months} = \$825,000$ (as reported in Gross Additions column)

An amount of zero is forecast in 2006 as pursuant to Commission Order No. G-98-05, the Commission approved the recovery of PG&E termination payments of \$825,000 per year from January 2006 to October 2009 and \$145,000 per year from November 2009 to October 2019 as an offset to the corresponding NW Natural delivery margin revenue for 2006 forward.

9.3 *Reference and reconcile the additions to the directives of Commission Order No. G-98-05.*

Response:

Please refer to response in 9.2.

10.0 Reference: Tab A-3, pp.13.2-13.3

10.1 How has the change in the Provincial income tax been applied to the deferral account net-of-tax calculation for 2005 additions?

Response:

The new Provincial income tax rate came into effect on July 1, 2005. As such, a blended tax rate of 33.75% (the average between the existing tax rate of 34.5 % and the new tax rate of 33%) was applied to 2005 additions.

11.0 Reference: Tab A-5, p.3, Pension and Insurance

11.1 Please explain how the forecasted 2006 Pension and Insurance amounts of \$6.3 million and \$5.1 respectively under the Cost of Service method have been determined.

Response:

The forecasted 2006 Pension Expense calculations were completed by the Company's independent consulting actuary Towers Perrin in August 2005, based on employee data that was made available to them and the most recent triennial valuation data for the Terasen Gas Inc. Union Pension Plan that was completed at December 31, 2004. The Terasen Gas Inc. Management & Exempt Employees Plan triennial valuation is to be completed at December 31, 2005 but will not be available until the spring of 2006. The forecast amounts were calculated using a discount rate for the accrued benefit obligations of 5.00% and an expected return on assets of 7.25%. Both of these assumptions, in the view of the actuary, are appropriate given current economic market conditions.

The 2006 Insurance amount of \$5.1 million was determined based on consultations with the Company's insurance broker, Jardine Lloyd Thompson to forecast future insurance costs using 2005 rates as a base. It is anticipated that there will be a significant effect on the market caused by the fall hurricane season. It is expected that rates for property coverage will likely increase as a result, however the specific implications are unknown at this time. .

11.2 Please explain what factors have caused the significant Pension increase of 36 percent from 2005 Approved of \$4.6 million to 2006 Forecast of \$6.3 million under the Cost of Service method.

Response:

The 2005 approved pension expense of \$4.6 million was based on a discount rate for accrued benefit obligations of 6.00% and an expected return on assets of 7.50%. Long-term corporate bond yields are the required basis for setting the appropriate discount rate as prescribed by the CICA Handbook Section 3461 on "Employee Future Benefits". These corporate bond yields have fallen by approximately 75 basis points since the end of 2005, and when the corporate actuary was making their forecast estimates in August the rates were continuing to drop. Their assessment at that date was that a 5.00% discount rate was the most appropriate rate to use. The other significant factor in the pension expense calculations was a reduction in the estimated return on plan assets from 7.50% to 7.25%, which according to the Company's plan actuary best reflects current asset performance on most pension plans in Canada.

11.3 Please file any documentation in support of the 2006 Forecast of \$6.3 million for Pension expense.

Response:

The below calculation of estimated pension expense was prepared by the Company's independent actuary Towers Perrin in August 2005.

Defined benefit plans

Employer current service cost	\$ 8,672
Expense load	90
Interest cost	10,732
Actual return on assets	(14,352)
Difference between actual and expected return	379
Difference between actual and recognized actuarial gains in the year	1,088
Difference between actual and recognized past service costs in the year	465
Amortization of net transition obligation	<u>(1,775)</u>
Total Defined Benefit Plan expense	\$ 5,299
Forecast Defined Contribution Plan expense	<u>950</u>
Total Forecast Pension Expense for 2006	<u>\$ 6,249</u>

12.0 Reference: 2004 Annual Report Tab B-4, pp.1-4, Triple Point Project

12.1 What is the status of the Triple Point project?

Response:

The Triple Point ("3P") calibration facility is now functionally complete. The American Gas Association approval of a revised turbine meter measurement standard was obtained in October, identifying the need for improved meter calibrations. It also facilitates the use of other gasses in testing, thus paving the way for customers to use Triple Point calibration services.

Testing of the facility is underway with two external customer meters with the intention of gathering "customer proven" results. With these, sales of 3P services to U.S.-based utilities and industrial and gas transmission customers will be possible. Measurement Canada certification of the new testing facility is in process with completion anticipated in the second quarter of 2006. This certification is necessary for sales to utilities operating in Canada.

Terasen Gas has partnered with two marketers who will sell 3P services to third parties across North America. For those potential customers that currently test using high-pressure natural gas, 3P offers more timely service at a price savings and this will be the sales focus for 2006. Potential customers will first need to understand the new turbine meter measurement standard and 2006 will be focused on educating this customer pool with the benefits of 3P.

Given the complexity involved in creating a separate regulatory construct and the revenue associated with the project, Terasen Gas no longer intends to structure the 3P project external to current agreements and therefore will not be seeking Commission approval for a proposed separate regulatory construct as suggested in the 2004 TGI Annual Review.

Once certified, Terasen Gas can commence the use of 3P calibration for its own turbine meters. As a result of proactive planning and with the completion of the facility and anticipated Measurement Canada certification, TGI will be in position to meet the new revised turbine meter measurement standards quickly, providing its customers with best practices in testing and more accurate turbine meters.

13.0 Reference: Tab A-3, pp.7, 7.1, Mains, Service and Meters

13.1 Please provide the actual 2002 to 2004, approved and forecast 2005 to 2007 unit cost for mains (\$/meter), services (\$/Service) and Meters (\$/Meter)

Response:

The following table shows the actual and forecasted unit costs for mains, services and meters for the period 2002 – 2007.

Please note that the unit costs forecasted for 2006 and 2007 are based on the forecasted customer additions included in Scenario A Challenge Targets of 12,718 in 2006 and 12,276 in 2007, which are shown in the table provided in Tab B-1 Page 9.

	2002 ACTUALS	2003 ACTUALS	2004 ACTUALS	2005 PROJECTED	2006 FORECAST	2007 FORECAST
Mains (\$/Metre)	36	34	34	36	37	38
Services (\$/Service)	1,070	861	997	1,000	955	983
Meters (\$/Meter)	254	381	271	298	308	317

13.2 Please provide the average service line cost and length for new residential customer additions for the period 2002 to 2007.

Response:

The average service line cost projection per customer addition and average service length for the period 2002 - 2007 is shown below. The average (unit) cost per customer addition is not tracked by rate class and therefore the average (unit) cost is not specifically for residential customer additions.

	2002 ACTUALS	2003 ACTUALS	2004 ACTUALS	2005 PROJECTED	2006 FORECAST	2007 FORECAST
Average Service (\$/Service)	1,070	861	997	1,000	955	983
Average Service Length (m)	14	14	14	14	14	14

13.3 Please provide the amounts included in account 486, Tools and Work Equipment for the period 2002 to 2007.

Response:

The additions (in millions) to account 486, Tools and Work Equipment are as follows:

2002 – \$1,523 (actual)
 2003 – 2,362 (actual)
 2004 – 1,915 (formula)
 2005 – 2,178 (formula)
 2006 – 2,230 (formula)
 2007 – 2,278 (formula)

14.0 Reference: Tab A-5, p. 1-2, Operating and Maintenance Expense

14.1 Please provide a breakdown of O & M cost per customer as well as cost per GJ for Transmission and Distribution plant for the period 2003 to 2007.

Response:

TERASEN GAS INC.
OPERATING & MAINTENANCE EXPENSE
DISTRIBUTION & TRANSMISSION / STORAGE

Particulars	2003 Actual	2004 Actual	2005 Projected	2006 Forecast
CPI				2.20%
Productivity Adjustment				-1.45%
Customer Growth				1.60%
Total Average # of Customers	770,624	779,461	791,647	804,316
Total Throughput (TJ)	218,855	219,991	214,139	214,427
Distribution O&M (\$000)	\$ 32,722	\$ 38,449	\$ 32,766	\$ 33,539
- per Customer	\$ 42.46	\$ 49.33	\$ 41.39	\$ 41.70
- per GJ	\$ 0.15	\$ 0.17	\$ 0.15	\$ 0.16
Transmission / Storage O&M (\$000)	\$ 8,952	\$ 8,646	\$ 8,936	\$ 9,147
- per Customer	\$ 11.62	\$ 11.09	\$ 11.29	\$ 11.37
- per GJ	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04

Distribution and Transmission operating and maintenance expense for the 2006 forecast was derived by applying the O&M formula to the 2005 projected values.

The 2007 O&M expense has not been forecast at this time and is beyond the scope of the present Annual Review for setting rates for the forecast year 2006.

15.0 Reference: Tab B- 1, p.5, Prince George #2 Lateral Loop

15.1 What would cause this project to be deferred?

Response:

The only reasons to defer this project would be if the firm projected load growth has been reduced or new firm load expectations do not materialize. Subsequent to filing the advance materials, a saw mill customer has withdrawn its application for firm load at this time. Therefore this project has now been deferred to 2007 at the earliest.

16.0 Reference: Tab B-1, p. 5, 72nd Street to 36th Ave. Delta, Gouty Road and 36th Ave., Delta, 34 B Avenue to 57th Street, Delta

16.1 When must the greenhouse customers commit to firm loads for these projects to move ahead?

Response:

The vast majority of Greenhouse Customers are Rate Schedules 22 and 27 customers.

When greenhouse customers apply for initial service, the terms of the initial contract are negotiated. When negotiating contracts, Terasen Gas considers the system requirements necessary to serve the incremental load. Once it has considered the system design and any modifications required, it is then in a position to determine the advance notice the customer is required to commit.

Should an existing greenhouse customers wish to switch from interruptible to firm Transportation Service, the customer must commit to firm loads at least one year in advance of these projects being installed. However, Terasen Gas will make reasonable efforts to accommodate a shipper on less than 12 months notice.

An excerpt from the terms and conditions for Rate 22, Section 3.3 can be found below:

3.3 Warning if Switching from Interruptible to Firm Transportation Service or Sales - A Shipper wishing to switch from interruptible transportation or interruptible sales to a firm sales Rate Schedule, or to firm transportation under this Rate Schedule, or to increase their Firm DTQ under this Rate Schedule must comply with the requirements for Firm service set out in the applicable Rate Schedule, including the following

- (a) give 12 months prior notice to Terasen Gas of the Shipper's desire to do so, and
- (b) after receiving an estimate from Terasen Gas of costs Terasen Gas will reasonably incur to provide such service, agree to reimburse Terasen Gas for any such costs.

Notwithstanding Section 3.3(a), Terasen Gas will make reasonable efforts to accommodate a Shipper on less than 12 months' prior notice if Terasen Gas is able, with such shorter notice, to arrange for the firm purchase and firm transportation of Gas under a firm sales Rate Schedule, or transportation under a firm transportation Rate Schedule.

17.0 **Reference:** *Tab B-1, p.7, Vancouver Low Pressure System Replacement*

17.1 *What is the justification for replacing the steel/iron LP system with polyethylene system at this time?*

Response:

The Vancouver Low Pressure (LP) distribution system is on average more than 70 years old. The steel mains were originally installed without cathodic protection and, as a result, large sections of pipe have been found to be heavily corroded and complete corrosion holes have been found in some of the mains.

The steel pipe that was installed before the mid-1930s was usually joined by a one-pass oxyacetylene gas weld. This type of joint has a large heat-affected zone and potentially higher carbon content than if the joint had been arc welded. Consequently, the resulting weld is weaker and more brittle than a typical arc welded joint. Samples of welded pipe have been removed from separate locations in the LP system for chemical and metallurgical analysis following two cases of partial circumferential weld failures on a 12" steel LP main that were caused by ground disturbance from adjacent municipal construction work. The laboratory results indicated that the use of oxyacetylene gas welding, coupled with poor workmanship apparent in the fitting-up of the pipe ends, produced welds that were likely to fail prematurely.

The existing LP system also does not have any isolation valves as they were not required by code at the time of construction. This makes emergency and routine maintenance more difficult as bag-off operations are needed to stop the flow of gas and, in the event of an earthquake, system isolation would become next to impossible. Therefore, following a significant seismic event, Terasen Gas is also at potential risk of being able to effectively manage the massive emergency response activities required to control escaping low pressure gas across the entire 95km LP system network that is so widely dispersed across the Vancouver area.

Over the next 5 years Terasen Gas recognizes that significant heavy construction is planned in Vancouver in preparation for the 2010 Winter Olympics. The construction activities to replace aging water and sewer lines and the repaving of major roads are already underway and are causing higher than normal vibrations and stresses on the sensitive LP system. In conjunction with the already known seismic frailty of the LP system, Terasen Gas is responding pro-actively by planning to accelerate the replacement of the fragile LP system infrastructure with a forecasted completion scheduled for the end of 2009.

The replacement of the steel LP system with Distribution Pressure (DP) polyethylene pipe will greatly increase the seismic integrity of the gas distribution network and will provide the needed capacity to meet the higher than average residential loads in the western Vancouver area.

23 LP regulating stations will be removed and will be replaced with only 1 new DP regulating station. The existing LP stations would have also required capital upgrades to bring them in line with current Terasen Gas design standards if they were to remain in service for any length of time.

As the existing LP system has extensive areas of corrosion and through wall corrosion, it is plagued with water ingress and leakage problems and as such requires significant monitoring,

water pumping and customer relighting activities. Crews also require special training in emergency response and system operation and maintenance for the LP system. These and other incremental activities that are required solely to maintain the LP system will no longer be required upon completion of the replacement program and will enable the reduction of future operating costs.

18.0 Reference: Emergency Response time to calls

18.1 Please provide a comparison of the emergency response time for the period 2002 to 2005 (available information) broken down into number of calls and time taken to attend an emergency call.

Response:

<u>Year</u>	<u>Number</u>	<u>Emergency Response Time</u>
2002	1242 responses	20.5 minutes
2003	1366 responses	22.0 minutes
2004	1566 responses	21.6 minutes
2005 (Aug 31 YTD)	1009 responses	22.3 minutes

TGI implemented changes in August designed to improve the Emergency Response Time (refer to the response to BCUC Information Request No. 1.0), and September 30 year-to-date results are improved over August 31 year-to-date information as follows:

2005 (Sept 30 YTD)	1199 responses	21.9 minutes
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19.0 Reference: Tab A-4, pp. 2,7 Underlying Assumptions - Conservation

19.1 Please explain how conservation is defined for the purpose of forecasting TGI sales. Does conservation include consumer behavioral change to reduce consumption or is it applied only to efforts that involve capital investments or hard-wired changes?

Response:

Conservation, for the purpose of forecasting TGI sales, includes both behavioral changes to reduce consumption (i.e. conscious efforts to reduce energy costs) as well as efforts that involve capital investments or hard-wired changes (i.e. more efficient space heaters, water heaters, setback thermostats, insulation with higher aggregate R values, etc.).

19.2 Has a statistical relationship been established by TGI on the effects of natural gas commodity price level and movements on conservation efforts and trends? If so, please describe.

Response:

TGI estimates the effects of natural gas commodity price levels on conservation and annual use rates using regression analysis. Specifically, Terasen Gas uses a logarithmic model that regresses Log(Annual Consumption per customer) against Log(Average Annual Natural Gas Commodity Price) to estimate the price elasticity of natural gas consumption and to model the effects of change in natural gas commodity price on use rates. This modeling suggests that conservation efforts increase as commodity prices rise. This suggestion however does not allow for a conclusion that conservation efforts are permanent, or that changes in commodity prices by itself causes conservation. As outlined in the Application, the impact of recent natural gas rate changes is just one of many factors that bear an influence on conservation efforts and trends.

20.0 Reference: Tab A-4, p.2 Underlying Assumptions – Economy

20.1 Please provide a summary table for the following indicators for 2004 (actual), 2005 (projected) and 2006 (forecast):

(a) B.C. population and % change

Response:

BC Population and % Change

	2004 (actual)	2005 (projection)	2006 (forecast)
BC Population	4,196,383	4,239,064	4,284,053
% Change	1.1%	1.0%	1.1%

Source: BC Stats P.E.O.P.L.E. 30

(b) nominal and real B.C. GDP and % change

Response:

BC GDP and % Change

	2004 (actual)	2005 (projection)	2006 (forecast)
Nominal GDP (\$ billion)	156.5	165.0	173.4
% Change	7.5	5.5	5.1
Real GDP (1997 \$ billion)	138.8	143.5	148.0
% Change	3.9	3.4	3.2

Source: BC Ministry of Finance: "Balanced Budget 2005" - September Update

(c) single and multiple family housing starts and % change

Response:

BC Housing Starts and % Change

	2004 (actual)	2005 (projection)	2006 (forecast)
Single Family Starts	14,056	13,800	12,600
% Change	14.7%	-1.8%	-8.7%
Multiple Family Starts	18,869	19,800	19,000
% Change	35.5%	4.9%	-4.0%
Total Starts	32,925	33,600	31,600
% Change	25.8%	2.1%	-6.0%

Source: CMHC

(d) *natural gas commodity price range per GJ*

Response:

Natural gas commodity prices continue to remain high relative to historical levels and have experienced considerable volatility. To illustrate this, a table is included below showing the minimum and maximum of the fixed monthly prices at AECO for each year. The difference between the maximum and minimum provides a sense of the degree to which commodity prices are volatile over a given period. The figures for 2005 and 2006 are based on the forward monthly natural gas prices as at June 13, 2005 (this point in time is used in the table because it was the reference used when the forecast models were put together).

AECO Natural Gas Prices (\$Cdn/GJ)

	2004 (actual)	2005 (projection)	2006 (forecast)
minimum	\$5.39	\$6.16	\$7.59
maximum	\$7.59	\$8.76	\$9.11

(e) *gas consumption and annual cost for a typical household with natural gas space heating*

Response:

The 2002 Residential End Use Survey performed by Habart & Associates identified the following through conditional demand analysis, based on a 2200 sq. foot average house size:

Appliance Consumption Estimates			
End-Use	AnnualGJ per Appliance	Standard Deviation	Gas Customers Using Appliance
WaterHeating	20.76	4.15	83.52%
ClothesDrying	3.96	*	5.54%
Cooking	8.48	4.10	17.58%
GasBBQ	3.12	1.47	10.40%
PoolHeating	53.49	*	3.21%
HottubHeating	17.86	*	1.09%
WallGasHeating	18.05	2.96	4.04%
GasInsert	15.77	6.68	29.96%
GasLog	16.84	7.20	27.84%
SpaceHeating	67.80	23.89	94.87%

*standard deviation not applicable as end-use was modeled with only presence of appliance.

Although the forecast average use varies for the period 2004 through 2006, the defined 2200 sq. ft. gas heated home with a gas hot water heater and a Gas log fireplace would typically consume 105.4 GJ, without consideration of the standard deviation. Please refer to the table below for the annual costs, based on the Lower Mainland Residential rates, associated with this annual consumption for 2004, 2005 and 2006:

<i>2002 Residential End Use Study - Annual Consumption based on Space Heating, Hot Water Heating and Gas Log Fireplace</i>	<i>Rate Schedule 1 Lower Mainland Average Annual Bill*</i>
2004 Annual Bill based on - 105.4 GJ	\$1,223
2005 Forecast Annual Bill based on - 105.4 GJ	\$1,336
2006 Forecast Annual Bill based on - 105.4 GJ	\$1,490

**The rates used to calculate the average annual bills are averages for the years 2004 and 2005 (year-to-date), and 3.90% (as per the Terasen Gas Inc. 2005 Annual Review proposed rates for 2006) was added to both the October 1, 2005 Basic Charge and Delivery Charges to determine a January 2006 forecast rate.*

(f) *gas consumption and annual cost for a typical household with electric space heating*

Response:

For a typical household with electric space heating, that is a natural gas customer, it is likely that this customer would have a natural gas fireplace and possibly a hot water heater. Under these circumstances, the annual consumption would be 37.6 GJ. Please refer to the table below for the Lower Mainland annual costs associated with a typical electrically heated home with a gas hot water heater and gas log fireplace:

<i>2002 Residential End Use Study - Annual Consumption based on Hot Water Heating and Gas Log Fireplace</i>	<i>Rate Schedule 1 Lower Mainland Average Annual Bill*</i>
2004 Annual Bill based on - 37.6 GJ	\$519
2005 Forecast Annual Bill based on - 37.6 GJ	\$559
2006 Forecast Annual Bill based on - 37.6 GJ	\$617

** The rates used to calculate the average annual bills are averages for the years 2004 and 2005 (year-to-date), and 3.90% (as per the Terasen Gas Annual Review proposed rate) was added to both the October 1, 2005 Basic Charge and Delivery Charges to determine a January 2006 forecast rate.*

(g) *total household formation and % change*

Response:

BC Household Formation and % Change

	2004 (actual)	2005 (projection)	2006 (forecast)
BC Households	1,701,567	1,746,986	1,791,909
% Change	2.7%	2.7%	2.6%

Source: BC Stats P.E.O.P.L.E. 30

(h) *residential and commercial customer additions and % change*

Response:

Customer Additions

	2004 (actual)	2005 (projection)	2006 (forecast)
Residential Additions	10,716	12,095	12,204
% Change	69.9%	12.9%	0.9%
Commercial Additions*	756	636	489
% Change	n/a	-15.9%	-23.1%

* includes rate classes 2, 3 & 23

** 2003 commercial growth rate cannot be calculated because the 2003 commercial additions were negative

21.0 Reference: Tab A-4, p. 4 Customer Additions Forecast

21.1 Please explain how the 2006 market shares for single family housing starts and multiple family housing starts are estimated.

Response:

Terasen Gas does not track specific data that allows for breakout of the total projected net customer additions into Single Family and Multi-Family dwelling gas accounts and the resulting market share. For forecasting purposes, market share is instead estimated on an aggregate basis for all housing types and is derived by dividing the net gas customer additions by the CMHC reported housing completions.

Please also refer to the response to question 21.3 below for additional information.

21.2 Please explain if the above estimated market shares differ significantly by service area.

Response:

Please refer to 21.1. As market shares are calculated on an aggregate basis, they are assumed to not differ by service area.

21.3 Please provide the respective market shares for single and multiple family housing starts from 2000 – 2006.

Response:

TGI does not collect data that allows for a distinction between single family and multiple family dwellings customer additions. TGI estimates the single family dwelling market share to be in the range of 80-90% with the multiple family dwelling market share to be in the range of 20% for the noted time period. These estimates are used to help validate forecast results.

For further information about how aggregate market share results are derived, please refer to the response to question 22.2.

21.4 *Please provide the 2006 commodity price forecast that is used as an input to forecast the number of customer additions.*

Response:

The forecast commodity price used as an input to forecast customer additions is \$8.13 /GJ and is based on the 12 month average for 2006 of the AECO monthly fixed price as shown in the forward curve from June 13, 2005. This commodity price forecast was used because it was the most current commodity price forecast available at the same time that the customer additions modeling was being completed. The affect of recent commodity price increases on the customer additions forecast is uncertain. For the 2006 forecast reductions in customer additions due to these commodity price increases have not been factored in, however, if commodity prices remain at these high levels, the company would anticipate customer additions will drop off as a result.

21.5 *Is the commercial customer additions model similar to the residential customer additions model? Please explain any differences.*

Response:

The models for Commercial and Residential customer additions are similar in that they both incorporate commodity prices and household formations in their respective models. The difference between the two models is that TGI has found market share to be a significant variable in our residential additions model, but insignificant in our commercial additions model. The market share variable incorporates TGI marketing, sales and other promotional efforts, as well as incorporating the effect of lock-offs due to our credit and collections policy. With respect to the commercial additions model, TGI has found the BC Real Gross Domestic Product growth rate to be of high significance, but insignificant in the residential additions model.

Residential customer additions are modeled as a function of actual household formations (growth), estimated market share, and commodity prices. Commercial customer additions are modeled as a function of actual household formations (growth), commodity prices, and real BC Gross Domestic Product (growth).

22.0 **Reference:** *Tab A-4, p. 6 Capture Rate*

22.1 *Please describe how the capture rate is calculated.*

Response:

Please see the responses to questions 21.1, 21.2, 21.3, and 22.2 for a description of how the capture rate is calculated. In this Application, capture rates and market share are assumed to be the same.

22.2 *Please provide a chart showing capture rates and average natural gas prices for the past 10 years.*

Response:

Please refer to the table below.

Year	Sumas Annual Average Price (CAD/GJ)	Market Share ²
1995	\$1.34	80
1996	\$1.81	76
1997	\$1.98	67
1998	\$2.45	54
1999	\$2.82	100
2000	\$7.08	65
2001	\$5.43	27
2002	\$3.98	42
2003	\$6.25	31
2004	\$6.34	42
2005 ⁽¹⁾	\$7.94	40

Source: Sumas Daily and Monthly Index

(1) - Price illustrated is the 10 month average.

(2) – Based on CMHC housing starts adjusted for Terasen Gas' service territory.

The market share values provided in this table are derived by dividing CMHC reported housing starts by net customer additions. However, this data includes a timing lag between the recognition of a housing start and the actual capture of a customer addition. Consequently, a comparison of housing starts and net customer additions provides a useful directional indicator but is not the equivalent to actual capture rates of new housing starts. The market share acts as a proxy for capture rate because TGI currently does not have systems to track actual capture rates. From a forecasting perspective, this initial set of data is adjusted before use as a model input by removing such things as the affect of lock-offs and conversion activities on net customer additions. These adjustments provide an estimate of additions arising from new construction.

23.0 Reference: Tab A-4, p. 7 Forecast Use Rate for New Customer Additions

23.1 Please provide the use rates of new customer additions for the period 2002 to 2006.

Response:

The repatriation of customers from BC Hydro that occurred in mid 2002 limits the data available to complete the analysis to two periods – mid 2003 to mid 2004; and mid 2004 to mid 2005. Use rates for a sample of TGI customers whose service initiated during the first six months of 2003 have been calculated by annualizing the consumption over the period July 1, 2003 through June 30, 2004. The use rates illustrated are based on actual consumption (not normalized), and only those customers with a minimum of 330 days of consumption were used (and pro-rated to reflect 365 days of consumption). This analysis was repeated for those customers whose service initiated during the first six months of 2004, as illustrated below:

For customers new during the first six months of 2003, the annual use rates over the period July 1, 2003 through June 30, 2004 are:

Rate Schedule 1 = 100 GJs (representing the average of 867 customers)
Rate Schedule 2 = 323 GJs (representing the average of 154 customers)
Rate Schedule 3 = 4,094 GJs (representing the average of 6 customers)

For customers new during the first six months of 2004, the annual use rates over the period July 1, 2004 through June 30, 2005 are:

Rate Schedule 1 = 102 GJs (representing the average of 1,057 customers)
Rate Schedule 2 = 309 GJs (representing the average of 153 customers)
Rate Schedule 3 = 4,142 GJs (representing the average of 5 customers)

23.2 Please compare the use rates of new customer additions to the average use rates by customer class for the period 2002 to 2005.

Response:

Comparing actual (un-normalized) Use Rates (GJs) of 2003 Customer Additions to all customers:

Customer Class	New Customers	All Customers
Rate Schedule 1	100	104
Rate Schedule 2	323	308
Rate Schedule 3	4,094	3,204

Comparing actual (un-normalized) Use Rates (GJs) of 2004 Customer Additions to all customers:

Customer Class	New Customers	All Customers
Rate Schedule 1	102	100
Rate Schedule 2	308	293
Rate Schedule 3	4,142	3,378

Rate Schedule 1 variances are not significant. Rate Schedule 2 and Rate Schedule 3 variances are greater and generally reflect different activity levels by industry. Rate Schedule 2 and 3 customers include those that participate in a number of industries, each of whom have different natural gas use requirements. The variances for these two rate classes are caused by the difference in the mix of industries between the two years and between the sample group and the group including all customers.

23.3 *Please describe the extent, if any, of downward pressure on residential usage per account by new customers in recent years.*

Response:

The growing trend towards sustainable and more energy efficient homes with high efficiency heating, double pane windows and better insulation is causing overall natural gas consumption for new residential single family housing to be lower than that of an existing single family residential gas customer. However, net customer additions in recent years relative to the overall number of residential Rate Schedule 1 customers is still small (i.e. 10,000 new customers per year compared to 700,000 total residential customers), leading to little downward pressure from new customers who generally are more energy efficient and consume less gas.

24.0 Reference: Tab A-4, p. 8 Table on Usage 2002-2006

24.1 Please explain the kink for Forecast 2005 for Rate 1 and Rate 2 customers.

Response:

The “kink”, or apparent increase, in use rates between 2004 and 2006 for rates 1 and 2 is the result of timing in the preparation of forecasts and the preparation of final actual use rates. The 2005 figures represent the original 2005 forecast, which are the use rates that were filed in the 2004 TGI Annual Review. The table does not contain projected use rates for 2005 as the year-end projections provided would contain recorded actuals for January to July 2005, making it difficult to compare to the normalized figures provided in the table for 2002, 2003, 2004 and 2006 forecast. Normalization of actual use rates is typically done once the complete year’s weather data are available after the full calendar year has passed.

For an additional discussion about 2005 use rates please refer to the response to question 25.2.2.

24.2 Please describe the customer migration activities between Rate 2 and Rate 3 customers and their effects on average usage.

Response:

Consumption for each account in Rate Schedules 2 and 3 is reviewed on a regular basis with customers who cross the 2,000 GJ threshold to determine whether the account should be reassigned to either Rate Schedule 2 or 3. Rate Schedule 2 is comprised of small commercial customers who consume up to 2,000 GJ per year and Rate Schedule 3 is comprised of large commercial customers who consume over 2,000 GJ per contract year.

An example is provided to illustrate the impact of customer migration between Rate Schedule 2 and 3 customers. For example, a rate 2 customer who consumes slightly more than the threshold of 2,000 GJ per year is moved to a rate 3. Movement of a rate 2 customer to rate 3 would have the effect of slightly reducing the average use rate for rate 3 and also decreasing the average use rate for rate 2.

The effect on average use rates however has been minor as few accounts migrate between rates 2 and 3 each year (i.e. net customer change).

24.3 Please describe the impact of DSM programs on the usage between 2002 – 2006.

Response:

With the current suite of DSM programs, reduction in consumption has not been significant enough to have a noticeable impact on annual use rates of core market customers. For the period 2002 through 2006, annual GJ reductions attributable to DSM programs averaged approximately 170,000 GJ per year or 0.1% of annual core market load.

24.4 *Please provide an estimate on the impact on use rates due to furnace upgrading activities.*

Response:

The Energy Star Heating program has historically not resulted in reductions significant enough to have a noticeable effect on the average annual use rates of residential customers. For the eight years the furnace upgrade program has been in offered, the highest participation level is likely to be in 2006 when TGI anticipates 5,000 participants. With an estimated 14 GJ annual savings per participant, the total reduction would be a minimal estimated 70,000 GJ per year, or less than 0.10% of total residential customer load.

25.0 Reference: Tab A-4, p. 9 Energy Forecast – Residential and Commercial

25.1 Please explain if the annual energy forecast is based on the summation of monthly estimated customer counts and use rates. If yes, please provide a table showing the monthly customer additions and energy consumption for 2004, 2005 and 2006.

Response:

No. The annual energy forecast is not based on the summation of monthly estimated customer counts and use rates. Instead, the Company uses a model to estimate the annual energy forecast first, and then apply the seasonality factors to the annual energy forecast number to derive the monthly estimates.

25.2 The advance information material states that the lower projected volumes for 2005 compared with 2006 is primarily caused by the effect of warmer than normal weather experienced over the first seven months of this year.

25.2.1 Please confirm that '2006' is meant to be '2004' in the statement.

Response:

No, the reference to 2006 is correct as the narrative referred to is discussing the differences between the years 2005 and 2006. The forecast volumes for 2006 are for a normal year.

25.2.2 Please provide the projected 2005 use rate if it is different from the 103.3 GJ in the Table on p.8?

Response:

The projected average annual use rate for residential rate 1 customers is estimated to be approximately in the range of 103 GJs, similar to that originally forecasted for 2005. This estimate is based on normalizing actual consumption year to date using weather ending in 2004 plus forecast consumption for the balance of the year. The 103.3 GJ provided in the table is the amount forecast for 2005 that was included in the 2004 Annual Review. Final actual normalized use rates for 2005 will be prepared in early 2006, once final actual consumption and weather data are both available.

26.0 Reference: Tab A-4, p. 9 Firm Sales

26.1 Please explain how, and where possible provide evidence, that Rate 5 customer consumption is weather sensitive.

Response:

Rate Schedule 5 is comprised of a diverse group of customers, many of which are schools, stratas and office buildings that use natural gas primarily for space and water heating with demand for natural gas for space heating being sensitive to weather. The table below summarizes the top five industrial sectors among rate 5 accounts by 2004 actual consumption volume. Four of these top sectors use natural gas primarily for space (building) heating, providing data indicating that a substantial portion of Rate Schedule 5 customer is weather sensitive.

Rate 5 - Top Industrial Sectors

Industry Type	% of Total Volume
Apartment/Condo	51%
Government Building	9%
Chemical Manufacturing	6%
Health	4%
Education	4%
Other	26%

26.2 Please explain if the Rate 5 use forecast is covered by the RSAM deferral account.

Response:

The Rate Schedule 5 use forecast is not covered by the RSAM Deferral account.

26.3 Please explain what is meant by 'statistically acceptable' when adjusting forecast consumption to reflect a normal weather year.

Response:

To identify whether a Rate Schedule 5 customer's consumption is "weather sensitive", Terasen Gas performed regression analysis comparing actual customer consumption to observed heating degree days. For the regression equation developed, statistically acceptable means a resulting adjusted R-square statistic greater than 50% and a non-negative intercept (i.e. baseload consumption). Therefore, in the situation where a Rate Schedule 5 customer's consumption is determined to be weather sensitive (i.e. statistically acceptable), a forecasted normalized annual consumption using the regression equation developed is used. Otherwise, the forecasted consumption for the customer is based on recent historical consumption.

26.4 *Please provide reasons for the declining trend in firm sales in the Table on p.10.*

Response:

The primary reason for the declining trend in firm sales volume is customer migration out of Rate 5 to a transportation service rate schedule. The last few years have seen a consistent decline in Rate 5 accounts, primarily due to rate switching to Rate 25. Despite this net move of customers to transportation rates, industrial transport volumes have not increased proportionately because they have been off-set by reduced load among large industrial transport users (i.e. Rate Class 22).

27.0 Reference: Tab A-4. p. 12 Third Party Revenues, Tab A-1. p.2 Summary

27.1 Please confirm that Commission Order No. G-55-05 being referred to should be Commission Order No. G-98-05.

Response:

This is correct. The Commission Order that should be referred to is Order No. G-98-05.

27.2 Please confirm that in Commission Order G-98-05 §6, the Commission approves the debiting of \$3.6 million against MCRA and crediting the equal amount to the delivery margin account as applied for and therefore the statement "this accounting treatment may be modified" has no basis.

Response:

Terasen Gas concurs that the statement "this accounting treatment may be modified" has no basis as it relates to the SCP Third Party Revenues.

27.3 On page 2 of Section A-1, the reduction in revenue from the Southern Crossing Pipeline is indicated to be \$4.4 million while Commission Order G-98-05 directs the amount of \$3.6 million to be debited against MCRA. Please provide a detail reconciliation of these two numbers.

Response:

Commission Order No. G-98-05 approves the debiting of \$3.6 million against MCRA and crediting the equal amount to the delivery margin account. This amount was inadvertently omitted from the "Other Revenue" forecast utilized in the advance materials filed on October 19, 2005. Revised Section A Tab 1 advance information for the 2005 Annual Review was filed with the Commission on November 7, 2005.

SCP Third Party Revenue should be \$11.1 million and the reduction in SCP Third Party Revenue noted on page 2 of Section A-1 should be \$0.8 million. Reconciliation to Commission Order G-98-05 (in millions) is as follows:

2005 SCP Third Party Revenue	\$11.9
Termination of BC Hydro TSA and Peaking Agreement	(3.6)
Commission Order No. G-98-05 (page 2 point 3) – PG&E termination payments	<u>(0.8)</u>
2006 Forecast as filed on October 19, 2005	\$ 7.5
Commission Order No. G-98-05 (page 3 point 6)	<u>3.6</u>
Revised 2006 SCP Third Party Revenue Forecast	<u>\$11.1</u>

28.0 Reference: Tab B-3, p.1 Overview of DSM

Please provide an overview of all DSM activities and initiatives for the years 2004-2007 by presenting the following information in a summary table:

- (a) Name of Program
- (b) Program Launch Date
- (c) Expected Program Completion Date
- (d) Program Evaluation Date
- (e) Program Partners

Response:

Programs for 2006 and 2007 are still to be determined, however, the following list pertains to programs launched in 2004 and 2005:

Fireplace Upgrade

2004 Program: June 15 to September 15

Evaluation: March 2005, Habart and Associates as filed

Partners: Natural Resources Canada, BC Hydro, Fireplace Manufacturers

Energy Star Heating System

2004 Program: September 1 to December 31

2005/6 Program: September 1, 2005 to December 31, 2006

Evaluations: previous programs: as filed 2002-2005, current program: to be determined

Partners: Natural Resources Canada, BC Hydro, Furnace and Boiler Manufacturers

New Construction Heating

2004: Nov 1, 2004 – Dec 31, 2006

Partners: Natural Resources Canada, Ministry of Energy and Mines

Evaluation: To be determined

Efficient Boiler Program

2005: Mar 1, 2005 - Dec 31, 2006

Evaluation: Previous program 2003 Habart as filed, Current Program: to be determined.

Partners: Natural Resources Canada, Ministry of Energy and Mines

Destination Conservation

Launch: Ongoing program since 1996

Evaluation: Managed by PRCS

Partners: Pacific Resources Conservation Society (PRCS)

Commercial Energy Assessments

Launch: Ongoing program

Evaluation: Internal evaluation only

Partners: None

29.0 Reference: Tab B-3, p. 1 Emissions Reduction

Please describe the data compiled to date with respect to emissions reduction attributable to DSM program activities.

Response:

Since 1997, DSM programs have resulted in estimated annual reductions of GHGs totaling nearly 50,000 tonnes. The estimated reductions are expected to continue to accumulate for the life of each measure along with reductions from any future DSM activity.

ESTIMATED ANNUAL GJ REDUCTIONS RESULTING FROM PROGRAMS								
1997	1998	1999	2000	2001	2002	2003	2004	All Years
59,965	69,802	105,205	118,383	163,000	240,900	158,000	78,612	993,867
CUMULATIVE TONNES OF GHG REDUCTIONS AT 50 TONNES PER TJ*								
2,998	6,189	10,830	15,666	22,249	32,070	36,763	37,017	49,693

* The numbers in the table incorporate some programs which may have measure life shorter than the time period outlined. For example, the Destination Conservation program has only a measure life of 3 years.

30.0 Reference: Tab B-3, p. 11 Summary of DSM Programs and Initiatives

Please provide a summary of all DSM activities in 2005 and 2006 by presenting the following information in a summary table:

- (a) Name of Program
- (b) Participants (Target, Projected)
- (c) Savings in GJ (Target, Projected)
- (d) Direct Program Costs
- (e) Incentives
- (f) TRC (net benefits, cost-benefit ratio)
- (g) Budget

Response:

Below is a table of all scheduled programs for 2005 and 2006. Additional programs for 2006 are still under development.

Program	Participants		Savings (GJ)		TRC Ratio	Projected Program Cost (excluding partner contributions)	TGI Incentives per participant (excluding partner contributions)
	Target	Projected	Target	Projected			
Residential							
2005/6 Heating System Upgrade	8000	8000	110,400	110,400	1.75	\$235,000	\$100
2005/6 New Construction Program	1500	1500	19,035	19,035	1.61	\$200,000	\$250
Commercial							
2005 Utilization Advisory	90	84	31,500	29,400	2.80	\$40,000	\$0
2006 Utilization Advisory	120	120	42,000	42,000	2.80	\$112,000	\$0
2005/6 Efficient Boiler Program	130	130	203,970	203,970	2.99	\$260,000	\$12,000
Community Based							
2005 Destination Conservation	20	16	4,000	3,200	3.09	\$24,000	\$0
2006 Destination Conservation	30	30	6,000	6,000	3.09	\$45,000	\$0
	9,890	9,880	416,905	414,005			

Note: the budget is the sum of program costs and forecast incentives

31.0 Reference: Tab B-3, DSM Status Report Attachment A, p. 20 Incentive Program

The customer survey results reported that on a five point scale, a rating of 4.6 was achieved when respondents were asked how important it was to them that Terasen Gas offers incentive programs.

31.1 Please comment if there are any reasons for respondents to discourage incentives being offered.

Response:

In the context of the survey, there are not any reasons that Terasen Gas is aware of for respondents to discourage incentives being offered. Both participants and non-participants respondents indicate that Terasen Gas should offer incentives.

31.2 Is this result from this survey question useful for TGI to gauge the level of incentive?

Response:

No, the survey question asked respondents how important it was to them that Terasen Gas offers incentive programs that help customers use natural gas more efficiently. It does not address the appropriateness of the level of the incentive.

31.3 Please explain if there are other forms of survey questions, e.g., trade-off analysis or discrete choice analysis that can better gauge the respondents' willingness to pay for investing in conservation.

Response:

Terasen Gas has not utilized other forms of survey questions to gauge participants' willingness to pay for investments in conservation.

In determining program incentive levels, Terasen Gas consults with its funding partners such as the Federal and Provincial governments and BC Hydro. In addition, Terasen Gas obtains feedback from its sales force and industry contacts as to what incentive levels are necessary to encourage sufficient participation in the programs offered.

32.0 Reference: Tab B-5 Attachment A- Internal Audit Report

32.1 Please provide a list of complaints, inquiries or comments from other stakeholders regarding Terasen Gas' compliance with the Code of Conduct in the last 12 months.

Response:

Terasen Gas is not aware of any complaints, inquiries or comments from stakeholders regarding Terasen Gas' compliance with the Code of Conduct in the last 12 months.

32.2 Please repeat the above for Terasen Gas' transfer pricing policy.

Response:

Terasen Gas is not aware of any complaints, inquiries or comments from stakeholders regarding Terasen Gas' compliance with the Transfer Pricing Policy in the last 12 months.

33.0 **Reference:** *TGVI 2006 -2007 Revenue Requirement Application*

33.1 *TGVI on page 50 of its 2006 – 2007 Revenue Requirement Application proposes to depart from using a portion of the Uniform System of Accounts for recording its O&M in Accounts 600 to 999, commencing in January 1, 2006. TGVI maintains in its Information Responses that since TGI has approval for departure by Commission Order G-39-98 that it would be appropriate for TGVI. Also, TGVI maintains it would be time consuming and onerous for TGVI to further report on the BCUC Uniform System of Accounts for O&M.*

What would be the impacts arising from TGVI's reporting that may affect TGI's costs and reporting? Please address these impacts in this information request response and any updates in the Annual Review.

Response:

There would not be any impact to TGI that hasn't been addressed in the Shared Services Agreement approved by Commission Order No. G-112-04. TGVI's proposal to depart from using the Commission's Uniform System of Accounts for O&M has no impact on total SAP costs as SAP is not currently configured to follow the BCUC Uniform System of Accounts with respect to O&M as allowed in Order No. G-39-98.

If TGVI's proposal is adopted, the cost benefits as outlined in the shared services agreement under the Utilities Strategies Project would come to fruition. If TGVI's proposal is not adopted, TGVI would incur significant incremental SAP-related capital costs, along with costs associated with designing integrated technology tools, business processes and support, and operational and management reporting relied on to provide integrated supervision and support to both companies.

APPENDIX 5.1

OPERATING LEASE AGREEMENT

LEASE NO(S). 4798

THIS OPERATING LEASE AGREEMENT ("Lease") is made as of the 14th day of July, 2005, between PHH VEHICLE MANAGEMENT SERVICES INC. DOING BUSINESS AS PHH ARVAL, with offices at 2233 Argentia Road, Suite 400, Mississauga, Ontario, L5N 2X7 ("Lessor") and TERASEN GAS INC., with offices at 1111 West Georgia Street, Vancouver, British Columbia, V6E 4M4 (the "Lessee").

WHEREAS, Lessee wishes to lease vehicles from Lessor from time-to-time and Lessor is prepared to acquire such vehicles ("Vehicles") and lease them to Lessee on the terms and conditions of this Lease;

WHEREAS, capitalized terms which are not defined in this Lease have the meanings set out in Schedule A.

NOW, THEREFORE, in consideration of the mutual agreements set out in this Lease, Lessor and Lessee agree as follows:

1. Obtaining Vehicles.

(a) Ordering Vehicles. Subject to Section 5, Lessee may from time-to-time request Lessor to acquire one or more Vehicles for lease to Lessee under this Lease. Such requests shall be made by completing the then current form of requisition provided to Lessee by Lessor or prepared by Lessee and approved by Lessor. Notwithstanding any other provision of this Lease, Lessor has no obligation to acquire any Vehicle requested; however, if Lessor confirms in writing that it will seek to acquire a Vehicle, Lessor shall thereafter exercise reasonable diligence to acquire the Vehicle; however, Lessor shall have no liability whatsoever to Lessee for failure to acquire a requested Vehicle. Lessor may choose to cancel any Vehicle requisition submitted pursuant to this Lease at any time prior to delivery of the Vehicle to the Lessee or the Lessee's representative.

(b) Lease of Vehicles - Title. Any Vehicle acquired by Lessor at the request of Lessee shall be leased by Lessee from Lessor on the terms and conditions of this Lease, and Lessee hereby agrees to lease from Lessor each Vehicle on such terms and conditions. Each Vehicle will remain the property of and title to each Vehicle will remain in Lessor. Lessee shall be solely responsible for the operation and control of each Vehicle. Each Vehicle which requires licensing or registration shall be licensed and registered in Canada in the name of Lessor, unless otherwise required by applicable law, in which case such registration will indicate that Lessor is the lessor of the Vehicle. Renewal of any license or registration of a Vehicle shall be the sole responsibility of Lessee except as otherwise agreed in writing by the Lessor and Lessee. Lessee shall not charge or encumber any Vehicle or allow any charge, security interest, lien or other encumbrance to exist on any Vehicle.

(c) Acceptance. Acceptance of delivery of a Vehicle by Lessee, or its representative, shall constitute Lessee's acknowledgement that the Vehicle is of the make and model, and is equipped, as specified by Lessee, is suitable for its purposes, is in satisfactory condition and is leased under this Lease.

(d) Option to Purchase. Provided that no default under this Lease has occurred and is continuing or that no event has occurred which with the giving of notice, passage of time or both would constitute a default under this Lease, at any time after the first 12 months of the Lease Term of any Leased Vehicle, Lessee shall have the option to purchase such Leased Vehicle on an "as is, where is" basis, without recourse, representation or warranty, at a purchase price equal to the greater of (i) the fair market value of such Leased Vehicle as of the option date, plus all applicable taxes thereon, and (ii) the net book value of such Leased Vehicle as of such option date, plus all applicable taxes thereon. To exercise the option, Lessee shall give written notice to PHH of not less than thirty (30) days prior to the option date specified in such notice, identifying the Leased Vehicle to be purchased by Lessee, and shall pay PHH on or prior to such option date by cash, certified cheque or by any other method acceptable to PHH the purchase price of such Leased Vehicle. For the purposes of this section, (a) "fair market value", at a particular time with respect to a particular Leased Vehicle means the price (as reasonably determined by PHH) that a willing buyer (who is neither a Lessee in possession nor a used vehicle dealer) would pay for such Leased Vehicle at such time in an arm's length transaction to a willing seller who is under no compulsion to sell such Leased Vehicle, assuming that such Leased Vehicle has been maintained and returned as required by this Lease, and (b) "net book value", at a particular time with respect to a particular Vehicle means the total Capitalized Cost less the paid Depreciation Rent for such Vehicle at such time plus any amounts then owing for such Vehicle under this Lease by Lessee to PHH Lessee may direct PHH to sell any Leased Vehicle to its Employees at the end of the Lease Term pursuant to Section 4

(e) Lease Characterization. Lessor and the Lessee characterize this Lease as a lease for accounting, income and sales tax purposes. Lessor and the Lessee agree that Lessor is the only party entitled to claim income tax deductions for capital cost allowance with respect to the Vehicles under the Income Tax Act (Canada) and Provincial income tax legislation.

2. Rent.

(a) Rental Period. Lessee shall pay Lessor monthly, in advance, for each month in the Lease Term (as defined in Section 4) of the Vehicle. The rental term for a Vehicle shall commence on the first (1st) calendar day of the month after the Vehicle is accepted by the Lessee's representative or the Lessee is notified that the Vehicle is ready for acceptance. Lessee agrees that from the date the Vehicle is accepted by the Lessee's representative until the beginning of the rental term, Lessee shall pay a fee equal to the monthly rental charge for such Vehicle pro-rated on a daily basis based on the actual number of days in the month. Rent for any Vehicle surrendered in accordance with Section 7, or any Vehicle lost, stolen or damaged beyond reasonable repair ceases to be payable on the last day of the month in which final settlement for the Vehicle is made in accordance with Section 8, if the settlement occurs on or after the sixteenth (16th) day of the month, or on the last day of the preceding month if settlement occurs on or before the fifteenth (15th) day of the month.

(b) Amount of Rent. The monthly rent payable at any time for any Vehicle is equal to the product of the Bill Factor for the Vehicle for such month and the Capitalized Cost of the Vehicle.

(c) Monthly Invoice. Lessor will render to Lessee a monthly invoice showing the total monthly rental payable for the month for each Vehicle, any applicable federal or provincial sales tax or goods and services or similar tax on rental payments and any amounts owing by Lessee pursuant to Section 8. Lessee shall, upon receipt of each such invoice, pay Lessor the total amount shown by cheque or pre-authorized debit payable in Canadian funds. Cheques must be mailed or delivered to Lessor at its address shown above or to such other address as shall be given to Lessee from time-to-time by Lessor.

(d) Late Payment Charge. If any monthly rent is not paid by the tenth (10th) day of the month in respect of which it is payable or if any other amount payable under this Lease by Lessee to

Lessor (including interest) is not paid when due, interest shall accrue and be payable on demand on such unpaid amount both before and after judgement, from the due date until paid in full at an annual rate of interest equal to eighteen percent (18%). Lessee acknowledges that notwithstanding the provision for a late payment charge, all amounts included in a monthly invoice are due and payable upon receipt of the invoice.

3. **No Set-Off.** Lessee's obligations to pay rent and any other amounts payable hereunder and to perform its other obligations hereunder, are absolute and unconditional under any and all circumstances, and Lessee waives any rights it may have to set-off.

4. **Lease Term.** The term during which a Vehicle is leased under this Lease (the "Lease Term") shall commence the date that the Lessee or its representative takes possession of the Vehicle and shall continue monthly thereafter at the Lessee's option until final settlement is made for the Vehicle in accordance with Section 8; provided that the Lease Term of a Vehicle may not be less than twelve (12) months except with the prior written consent of Lessor or except when earlier final settlement is made in accordance with Section 8 in the event of the loss or theft of a Vehicle or its damage beyond reasonable repair. In the event that the Lessor does give its written consent to early termination of this Agreement, Lessor shall not assess interest charges to the Lessee.

5. **Commencement and Termination of this Lease.** This Lease shall become effective when executed by both Lessee and Lessor and shall remain in effect until terminated in accordance with this Section 5 or Section 11. Either party may terminate this Lease at any time by giving written notice of its intention to terminate in accordance with this Section 5. Thereafter, unless terminated earlier in accordance with Section 11, this Lease shall remain in effect until all Lease Terms have ended as contemplated in Section 4. After a notice of termination has been given or any of the events referred to in Section 11(a) have occurred, Lessee may not request any additional Vehicles and Lessor may, at its option, determine not to deliver any Vehicles requested by Lessee but not yet delivered. Upon termination of this Lease, all rights and obligations of Lessor and Lessee under this Lease shall cease except those which are stated herein to survive termination, and except for the obligation to pay any monies owing at the time of termination.

6. **Use and Maintenance of Vehicles.**

(a) Lessee shall only use Vehicles or permit their use for lawful purposes, within Canada or the United States, in accordance with all laws relating to the registration, leasing, insurance, possession, use or operation of the Vehicle, and in accordance with all conditions of any applicable insurance policies. In addition, no Leased Vehicle may be used for towing any property other than in accordance with the Vehicle manufacturer's specifications or for the transportation for hire of goods or passengers. Leased Vehicles may be used for the transportation of explosive, radioactive, flammable or otherwise hazardous material, provided such material is transported in the normal course of Lessee's business and further provided that Lessee complies with the insurance requirements set forth in Section 9(b). Lessee shall maintain, at its expense, each Vehicle in good condition and repair at all times, ordinary wear and tear excepted. Lessee shall comply, and cause all persons operating the Vehicles to comply, with (i) all applicable requirements of law relating to the registration, leasing, insurance, use and operation of the Vehicles, including operators' licensing requirements, and (ii) all conditions of the policies of insurance on the Vehicles. At all times, Lessee shall supply Lessor with the name and address of representatives to whom the Vehicles are assigned.

(b) Notwithstanding any other provision of this Lease, Lessor reserves the right to inspect the Vehicles at anytime upon reasonable notice of its intent to do so. Lessee shall furnish information to Lessor as to where the Vehicles may be inspected.

7. **Sale and Surrender.** Lessee shall promptly surrender any Vehicle which has been damaged beyond reasonable repair. At any time after the first twelve (12) months of the Lease Term of any Vehicle, Lessee may, on prior written notice to Lessor, surrender the Vehicle to Lessor at a place approved by Lessor. As soon as practical after the surrender of any Vehicle in accordance with this Section 7 and after

giving any notices required by applicable law, Lessor will sell the Vehicle in a commercially reasonable manner in accordance with its usual practices or as Lessor may, in its sole discretion, determine.

8. Final Settlement.

(a) Calculations. Following the receipt by Lessor of the net proceeds (if any) of the sale of a Vehicle surrendered in accordance with Section 7 and following receipt by Lessor of all insurance proceeds payable as a consequence of the theft or loss of or damage beyond reasonable repair to a Vehicle, Lessor will calculate (i) that amount ("Lessor's Cost") which equals the total of the Capitalized Cost of the Vehicle and any amounts then owing under this Lease by Lessee to Lessor and (ii) that amount ("Lessor's Return") which equals the total of the following amounts: (A) the net sale proceeds, if any, of the Vehicle, (B) any amounts received by Lessor under insurance policies with respect to the theft or loss of, or damage beyond reasonable repair to, the Vehicle (not previously paid, or payable to, any person on account of repairs, replacements or otherwise), and (C) the Accumulated Depreciation Rent for the Vehicle at the time the calculation under this Section 8(a) is made for the Vehicle.

(b) Payments Required. If Lessor's Return exceeds Lessor's Cost for the Vehicle, Lessor will, unless otherwise required by law, make final settlement in respect of the Vehicle by paying or crediting such excess to Lessee. If Lessor's Return is less than Lessor's Cost, Lessee shall make final settlement by paying the deficiency to Lessor; provided, however, that if the Vehicle has been sold in accordance with Section 7, Lessee need not pay Lessor that portion of the deficiency which results from the net sale proceeds being less than sixteen percent (16%) of the fair market value of the Vehicle at the time of sale, unless the low sales price has resulted from damage, extraordinary wear and tear or excess and unauthorized use, in which case Lessee shall pay to Lessor, in addition to all other amounts due to Lessor, the full amount of the deficiency. For the purposes of this Section 8, the "fair market value" of each Vehicle shall be its Capitalized Cost, if sold at or prior to the end of the first twelve (12) months of the Lease Term for the Vehicle or, if sold at any other time, the market value (as reasonably determined by Lessor) of the Vehicle at the beginning of the month immediately preceding the sale.

(c) Cumulative Difference. For each Vehicle that is on fixed rate funding and in respect of which a calculation has been made pursuant to Section 8(a) above, Lessee shall pay to Lessor, in addition to those amounts contemplated by Section 8(b) above, an amount equal to the product of: (i) the Capitalized Cost of the Vehicle and (ii) the percentage indicated on a cumulative difference schedule, which schedule shall be provided to Lessee upon request (the "Cumulative Difference Schedule"), as applied for the month in which such Vehicle is sold.

(d) Final Rental Adjustment. Lessor's monthly invoice will set forth: (i) the unit number of each Vehicle sold and not previously reported, (ii) any excess or deficiency owing pursuant to Section 8(b) above, and (iii) any amount owing pursuant to Section 8(c) above.

9. Other Lessee Obligations.

(a) Risk of Loss or Damage. Lessee assumes all risk of loss, theft of or damage to all Vehicles, from whatever cause, during their respective Lease Terms, notwithstanding (i) any surrender in accordance with Section 7 or (ii) the existence of any insurance. Lessee agrees to promptly notify Lessor in writing if any Vehicle is lost, stolen or damaged beyond reasonable repair unless such Vehicle is in PHH's possession at the time.

(b) Insurance. Lessee shall at all times during the Lease Term of each Leased Vehicle insure and keep the Leased Vehicle insured against liability for bodily injury to, or death of, any person or damage to property for a limit of not less than \$10,000,000 in respect of any one accident through any combination of primary motor vehicle insurance and excess liability or umbrella insurance, which insurance shall not exclude coverage for the transportation of explosive, radioactive, flammable, or otherwise hazardous material. The insurance policies shall be with a responsible insurance company acceptable to Lessor, and shall name Lessor as an additional insured and loss payee. With Lessor's prior written consent, Lessee may self-insure for collision and comprehensive coverage. Lessee shall furnish to Lessor certificates or other satisfactory evidence of the insurance required under this Lease, but Lessor shall be under no duty to examine the certificates or to advise Lessee if the insurance is not in compliance with this Lease. Lessee shall give to PHH at least thirty (30) days' prior written notice of any cancellation of the policy by Lessee or the insurer or of any change in the terms of the policy which would restrict coverage afforded thereunder for the protection of PHH.

(c) Indemnity. Notwithstanding any other provision of this Lease or the availability, existence or collectability of any insurance, Lessee shall indemnify and save harmless Lessor from and against any and all losses, costs, damages, claims and liabilities of whatever kind or nature, including, without limitation, legal fees and disbursements on a solicitor and client basis (collectively, "Costs") incurred or suffered by Lessor and relating in any way whatsoever to any Vehicle or the possession, use, or operation of a Vehicle by Lessee, or the provision of any personal information by Lessee required by Lessor except to the proportionate extent caused by the Lessor's negligence or breach of the terms of any agreement between the Lessor and the Lessee. Lessee irrevocably waives in favour of Lessor the benefit of all applicable limitation periods, including, without limitation, any arising under highway traffic legislation with respect to claims relating to motor vehicles. Notwithstanding the foregoing, Lessee is not responsible for any damage caused to a Vehicle or theft or loss of a Vehicle, which occurs due to the fault or neglect of Lessor while a Vehicle is in Lessor's possession.

(d) Expenses, Fees, Taxes. The Lessee shall pay all costs, expenses, fees, and charges incurred in connection with the titling and registration of the Vehicles and the use and operation of the Vehicles during their Lease Terms, including, but not limited to, fuel, lubricants, replacement parts and accessories, repairs, maintenance, storage, parking, tolls, fines, personal property security registration fees, registration fees, license fees, tags, and all taxes whatsoever by whomsoever payable (except any tax measured by the net income of Lessor) on or relating to the Vehicles and their purchase, sale, rental, use, or operation. The Lessee shall reimburse Lessor the amount of any such costs, expenses, fees, charges and taxes paid by Lessor, and pay the administration fee assessed by Lessor, if any, for advancing these monies. It is the intent of this Lease that Lessor shall receive the rental hereunder as a net return on the Vehicles.

(e) Lessor May Perform. If Lessee fails to make any payment required or fails to perform or comply with any of its obligations hereunder, Lessor may make such payment or perform such obligations on behalf of Lessee and the amount of such payment, including reasonable expenses, of Lessor incurred in connection therewith, shall be payable by Lessee on demand.

(f) Survival. Lessee's obligations under this Section 9 shall survive the termination of this Lease.

10. Warranties and Liability.

(a) Exclusions. Lessee acknowledges that each Vehicle is selected by it and Lessor has no liability whatsoever to Lessee for any loss or damage of any kind whatsoever suffered by Lessee, whether directly or indirectly, as a result of any defect in a Vehicle, failure of a Vehicle to perform properly or any other matter whatsoever relating to a Vehicle. LESSEE EXPRESSLY WAIVES ANY AND ALL CLAIMS AGAINST LESSOR FOR SUCH LOSSES OR DAMAGES, AND ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET OUT IN THIS LEASE, THERE ARE NO REPRESENTATIONS, WARRANTIES, CONDITIONS OR OTHER AGREEMENTS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, ON THE PART OF LESSOR UNDER THIS LEASE OR OTHERWISE.

(b) Rights Against Manufacturers. Lessor will, to the extent permitted by law, assign or otherwise make available to Lessee all of Lessor's rights, if any, under any manufacturers' warranties on each Vehicle. Following the expiry of the Lease Term for each Vehicle (whether before or after the termination of this Lease) Lessee shall reassign to Lessor all such manufacturer's warranties. If at any time during the Lease Term of a Vehicle, Lessee determines that there is a defect in the Vehicle or the Vehicle does not operate as represented or warranted by the manufacturer or is otherwise unsatisfactory for any reason, Lessee shall not make any complaint or claim in any way relating to such Vehicle against Lessor, and shall continue to pay Lessor all amounts payable under this Lease with respect to such Vehicle. Lessor shall assist Lessee with any reasonable claims or complaints against the applicable manufacturer.

(c) Actions of Dealer. Lessee acknowledges that no dealer, salesman or agent of a dealer is authorized to waive or alter any term or condition of this Lease, or to add any provision, condition, representation or warranty to this Lease.

11. Default.

(a) If (i) Lessee fails to pay when due any rent or other amount payable under this Lease, or fails to perform or observe any of its other obligations under this Lease or any obligations under any other agreements between Lessee and Lessor, and such failure continues for a period of 15 days after written notice by Lessor to Lessee to cure such failure, or (ii) Lessee makes or files, or any other person makes or files against Lessee, any proposal, petition or application under legislation regarding bankruptcy, insolvency or creditors' rights, or (iii) Lessee becomes insolvent or makes an assignment for the general benefit of its creditors, or (iv) Lessee or any other person commences proceedings of any sort for the winding-up, liquidation, dissolution or receivership of Lessee or its undertaking or property, or (v) all or a substantial part of Lessee's property is seized, distrained or otherwise controlled by any person under judicial process or by any encumbrances or landlord through private remedy or otherwise, or (vi) Lessee shall be in default in the payment or performance of any other indebtedness or obligation owed by Lessee to Lessor under any other agreement or instrument, or (vii) the financial condition of the Lessee's affairs shall change in the reasonable opinion of Lessor so as to substantially impair Lessor's title to the Vehicles or substantially increase Lessor's credit risk, Lessor may declare Lessee to be in default under this Lease.

(b) Upon declaration by Lessor that the Lessee is in default under this Lease, and notwithstanding any other provision of this Lease, Lessee shall immediately surrender all Vehicles to Lessor and Lessor shall have the following remedies: (i) whether or not it terminates this Lease, Lessor may take possession of all Vehicles, wherever located, and for such purposes may enter any premises or upon any land where they may be or where Lessor believes they may be; (ii) Lessor may terminate this Lease whether before or after any repossession of the Vehicles and without affecting any of Lessor's other rights or remedies hereunder or elsewhere; and (iii) Lessor may, whether before or after termination of this Lease and without notice to Lessee (except as required by applicable law), sell any or all of the Vehicles and Lessor may recover from Lessee, and Lessee shall forthwith pay to Lessor on demand, as a genuine pre-estimate of liquidated damages and not as a penalty (and in addition to all rent and other amounts then owing by Lessee to Lessor under this Lease), the aggregate amount, if any, as calculated in accordance with Section 8 for all Vehicles, including all amounts then owing by Lessee to Lessor and all expenses incurred in retaking, holding, repairing, processing and disposing of each Vehicle. Lessor may retain all rents, payments, and resale proceeds received, including any refunds and other sums, if any, otherwise payable to the Lessee under this Agreement to the extent necessary to pay Lessor all rentals and other amounts owed to Lessor under any of the provisions of this Agreement or any other agreement between the Lessee and Lessor, together with costs and expenses, including reasonable attorneys' fees, incurred by Lessor in the enforcement of its rights and remedies under this or any other provision of this Agreement.

(c) The foregoing rights and remedies are cumulative and not alternative, are in addition to and not in substitution for any and all other rights and remedies otherwise available to Lessor including, without limitation, its right of set-off, and may be exercised separately or together, whether before or after any termination of this Lease. Lessor may refrain from exercising any one or more of its rights or remedies without incurring any liability to Lessee and the exercise of any right or remedy shall not preclude its further exercise.

12. Assignment and Sub-Lease of Lease.

(a) Lessor may, from time-to-time, assign this Lease or any of its rights or interests herein including, without limitation, its rights to or interests in each Vehicle.

(b) Lessee may not assign this Lease or any of its rights or interests in this Lease or in any Vehicle or sublet any Vehicle.

(c) This Lease shall be binding upon and inure to the benefit of the parties to this Lease and their respective successors and permitted assigns.

13. Right of Set-Off. Lessee acknowledges that Lessor may owe amounts to Lessee time-to-time whether under this Lease or otherwise. Without limiting any other rights Lessor may have under this Lease or otherwise, Lessee agrees that, at any time when it has failed to fulfil any of its obligations under this Lease or any other agreements between Lessee and Lessor, then until such failure has been cured or waived by Lessor, Lessor may set-off against any amounts owing by it to Lessee, any amounts owing by Lessee to Lessor under this Lease or any other agreements between Lessee and Lessor. Lessee agrees that any exercise by Lessor of its rights of set-off as set out in this Section 13 shall not be a breach of any obligations of Lessor to Lessee under any other agreements.

14. Quiet Enjoyment. Lessee may retain possession and quiet enjoyment of each Vehicle until the end of the Lease Term as long as (i) the Lessee makes due and timely payment of all monthly invoices and other amounts due under this Lease to Lessor or to any party to whom Lessor may assign or grant a security interest in this Lease or the Vehicles, and (ii) the Lessee performs all of its other covenants and obligations under this Lease or any other agreement between Lessor and Lessee.

15. Notice. Unless otherwise provided in this Lease, any written communication hereunder shall be given by delivering the same, or by mailing by registered mail, postage pre-paid, or sending by facsimile transmission at the respective addresses of Lessee and Lessor set forth on the first page hereof, with a copy to Terasen Gas Inc. Legal Services, 24-1111 West Georgia Street Vancouver, B.C. V6E 4M4 or at such other addresses as the Lessee or Lessor, as the case may be, may in writing direct. Any such notice sent as aforesaid shall be deemed to have been received by the party to whom it was addressed upon delivery, if delivered, and on the receipt thereof, if sent by registered mail, and when transmitted, if sent by facsimile transmission; provided, however, that in the event normal mail service shall be interrupted by a strike, force majeure or other cause, then the party sending the notice shall utilize any of the said services which has not been so interrupted, or failing the availability of any such service, any other mode of communication which shall ensure prompt receipt of notice or other written communication by the other party.

16. **General Matters.** Any provision of this Lease which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Lease and the unenforceability in a particular jurisdiction shall not render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee waives any provision of law which renders any provision of this Lease unenforceable in any respect. Lessee shall, at its expense, promptly execute further documents and assurances and take such further action as Lessor may from time-to-time reasonably request in order to more effectively carry out the intent and purpose of this Lease and to establish and protect the rights, interests and remedies intended to be created in favour of Lessor hereunder. Lessee hereby acknowledges that it has express or implied consent from each driver to whom a Vehicle is delivered pursuant to this Lease to provide personal information required by Lessor to perform services hereunder. Waiver by Lessor of any provision of this Lease in one instance shall not constitute a waiver as to any other instance or any other provision and any such waiver must be in writing to be effective. Time is of the essence for this Lease in all respects.

17. **Registration of Lease.** Lessee acknowledges (i) that any registration by Lessor under applicable personal property security legislation in respect of this Lease is made out of an abundance of caution and without thereby diminishing Lessor's retention of title or other rights hereunder or thereby acknowledging the applicability of such legislation, (ii) Lessor shall charge Lessee an administration fee for registration under the applicable personal property security act at the time of delivery of each Vehicle leased hereunder (iii) receipt of a fully executed copy of this Lease and (iv) that, without limitation, for purposes of registration under such legislation each security agreement made by Lessee with or in favour of Lessor (where before, on or after the date of this Lease) is connected with each other such security agreement.

18. **Financials.** Within one hundred twenty (120) days after the last day of Lessee's fiscal year, Lessee shall provide Lessor with a copy of Lessee's end-of-year balance sheet and related statements of income and retained earnings, consolidated with its subsidiaries, if any. Lessee shall also provide Lessor with copies of such quarterly interim financial statements of Lessee as Lessor may request.

19. **Language and Law.** This Lease and the rights and obligations of the parties hereto shall be governed by the laws of the Province of British Columbia. The parties hereby acknowledge that it is their wish that this Lease and all documents relating to this Lease be in the English language only. Les parties aux présents reconnaissent avoir voulu que cette convention ainsi que tous les documents qui s'y rattachent soient rédigés en langue anglaise seulement.

Executed as of the day and year first above written.

PHH VEHICLE MANAGEMENT SERVICES INC.

By: 
Vice President

TERASEN GAS INC.

By: 
Vice President

Affix Corporate Seals

SCHEDULE A

DEFINITIONS

For the purposes of this Lease:

- (a) (i) one body corporate is an affiliate ("Affiliate") of another body corporate if one of them is the subsidiary of the other, or both are subsidiaries of the same corporation, or each of them is controlled by the same person;
 - (ii) if two bodies corporate are Affiliates of the same body corporate at the same time they are deemed to be Affiliates of each other;
 - (iii) for the purpose of this definition, a body corporate is a subsidiary of another body corporate if it is controlled by that other body corporate; and
 - (iv) for the purpose of this definition, a body corporate is controlled by a person if:
 - (A) securities of the body corporate to which are attached more than fifty percent of the votes that may be cast to elect directors of the body corporate are held, other than by way of security only, by or for the benefit of that person; and
 - (B) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.
- (b) "Bill Factor" means the percentage appearing on Lessor's monthly invoice, which percentage is comprised of Lessor's management fee, an interest factor, and the Monthly Depreciation Rate. The management fee shall be 0.05% of the Capitalized cost per Vehicle per month.
- (c) "Capitalized Cost" means, in respect of any Vehicle, and except as otherwise agreed by Lessor and Lessee, the aggregate of (i) the total of the manufacturer's dealer invoice price to its dealer for the Vehicle; plus all freight, delivery charges, applicable Dealer mark-up, and upfitting costs; plus Lessor's acquisition fee; and all taxes and duties paid by Lessor for the Vehicle, less any down payment made by an employee in respect of the Vehicle; provided however that Lessor may from time to time notify Lessee of a different basis for determining the Capitalized Cost of any particular Vehicle or type of Vehicle, and such basis shall apply for all those Vehicles requested by Lessee after the notification.
- (d) "Accumulated Depreciation Rent" at a particular time with respect to a particular Vehicle, means the product of (i) the number of months for which monthly rent has been paid for such Vehicle at such time, (ii) the Capitalized Cost of such Vehicle, and (iii) the Monthly Depreciation Rate for such Vehicle.
- (e) "Monthly Depreciation Rate" means, for any Vehicle, the depreciation rate selected by Lessee at the time it requested the Vehicle, or any other depreciation rate which is agreed to by Lessor and Lessee.
- (f) "Vehicle" means any passenger automobile, van or truck including, without limitation, a truck-tractor, truck-trailer, truck-chassis or truck-body which has a separate permanent manufacturer's serial number and can be readily detached, replaced, purchased and sold as a separate unit and, with Lessor's prior written consent, may include any unit of materials handling equipment.

APPENDIX 5.2

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
1	SUMMARY: RATE BASE / REVENUE REQUIREMENT									
2	Rate Base - Mid-Year									
3	Gas Plant in Service	\$ 10,721.3	\$ 22,670.1	\$ 25,149.5	\$ 27,678.6	\$ 30,258.2	\$ 32,889.4	\$ 35,573.2	\$ 38,310.7	\$ 41,102.9
4	Accumulated Depreciation	<u>(10,213.0)</u>	<u>(9,420.4)</u>	<u>(10,045.8)</u>	<u>(10,745.3)</u>	<u>(11,520.3)</u>	<u>(12,372.5)</u>	<u>(13,303.3)</u>	<u>(14,314.3)</u>	<u>(15,407.1)</u>
5	Net Plant	508.3	13,249.7	15,103.7	16,933.3	18,737.9	20,516.9	22,269.9	23,996.4	25,695.8
6										
7	Deferred Charges	-	-	-	-	-	-	-	-	-
8	Working Capital	<u>(2.0)</u>	<u>(53.0)</u>	<u>(60.4)</u>	<u>(67.7)</u>	<u>(75.0)</u>	<u>(82.1)</u>	<u>(89.1)</u>	<u>(96.0)</u>	<u>(102.8)</u>
9	Total Rate Base	<u>\$ 506.2</u>	<u>\$ 13,196.7</u>	<u>\$ 15,043.3</u>	<u>\$ 16,865.6</u>	<u>\$ 18,662.9</u>	<u>\$ 20,434.8</u>	<u>\$ 22,180.8</u>	<u>\$ 23,900.4</u>	<u>\$ 25,593.1</u>
10										
11	Capital Structure									
12	Debt	67%	67%	67%	67%	67%	67%	67%	67%	67%
13	Equity	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>
14	Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
15										
16	Rate of Return									
17	Debt	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%
18	Equity	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%
19										
20	Earned Return									
21	Debt	\$ 23.0	\$ 598.6	\$ 682.4	\$ 765.0	\$ 846.5	\$ 926.9	\$ 1,006.1	\$ 1,084.1	\$ 1,160.9
22	Equity	<u>15.1</u>	<u>393.2</u>	<u>448.3</u>	<u>502.6</u>	<u>556.1</u>	<u>608.9</u>	<u>661.0</u>	<u>712.2</u>	<u>762.6</u>
23	Return on Rate Base	38.0	991.8	1,130.6	1,267.6	1,402.7	1,535.8	1,667.1	1,796.3	1,923.5
24										
25	Cost of Gas									
26	Operating & Maintenance Expense	1,947.5	1,986.4	2,026.1	2,066.7	2,108.0	2,150.2	2,193.2	2,237.0	2,281.8
27	Depreciation & Amortization Expense	-	2,488.7	2,600.0	2,713.6	2,829.5	2,947.7	3,068.3	3,191.2	3,316.6
28	Property Taxes	-	-	11.1	52.5	56.0	59.6	63.0	66.3	69.7
29	Other Revenue	-	-	-	-	-	-	-	-	-
30	Income Tax Expense	<u>(872.8)</u>	<u>(219.5)</u>	<u>(170.0)</u>	<u>(142.5)</u>	<u>(98.6)</u>	<u>(60.3)</u>	<u>(25.7)</u>	<u>6.5</u>	<u>37.2</u>
31										
32	Total Revenue Deficiency / (Surplus) Before Sharing	<u>\$ 1,112.7</u>	<u>\$ 5,247.4</u>	<u>\$ 5,597.9</u>	<u>\$ 5,957.9</u>	<u>\$ 6,297.6</u>	<u>\$ 6,633.0</u>	<u>\$ 6,965.8</u>	<u>\$ 7,297.4</u>	<u>\$ 7,628.8</u>
33	1 - Tax Rate	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%
34	Surplus Sharing Proportion	0.5								
35	Surplus Sharing	-	-	-	-	-	-	-	-	-
36	Total Revenue Requirement Post Sharing	\$ 1,112.7	\$ 5,247.4	\$ 5,597.9	\$ 5,957.9	\$ 6,297.6	\$ 6,633.0	\$ 6,965.8	\$ 7,297.4	\$ 7,628.8
37	NPV (2006-2013)	\$39,765								

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line No.			1	2	3	4	5	6	7	8	9
	Particulars		2005	2006	2007	2008	2009	2010	2011	2012	2013
	OPERATING & MAINTENANCE, PROPERTY TAXES, 1 & DEPRECIATION & AMORTIZATION EXPENSES										
2	Operating & Maintenance Expense										
3	Gross O&M / Lease										
4	O&M Component	2% \$3,864.0	\$ 3,864.0	\$ 3,941.3	\$ 4,020.1	\$ 4,100.5	\$ 4,182.5	\$ 4,266.2	\$ 4,351.5	\$ 4,438.6	\$ 4,527.3
5	Lease Component	0% \$ -	-	-	-	-	-	-	-	-	-
6	Total Gross		<u>\$ 3,864.0</u>	<u>\$ 3,941.3</u>	<u>\$ 4,020.1</u>	<u>\$ 4,100.5</u>	<u>\$ 4,182.5</u>	<u>\$ 4,266.2</u>	<u>\$ 4,351.5</u>	<u>\$ 4,438.6</u>	<u>\$ 4,527.3</u>
7											
8	60% of Gross O&M	\$ -	\$ 2,318.4	\$ 2,364.8	\$ 2,412.1	\$ 2,460.3	\$ 2,509.5	\$ 2,559.7	\$ 2,610.9	\$ 2,663.1	\$ 2,716.4
13	Overhead Capitalization	16%	(370.9)	(378.4)	(385.9)	(393.7)	(401.5)	(409.6)	(417.7)	(426.1)	(434.6)
14	Total Operating & Maintenance Expense		<u>\$ 1,947.5</u>	<u>\$ 1,986.4</u>	<u>\$ 2,026.1</u>	<u>\$ 2,066.7</u>	<u>\$ 2,108.0</u>	<u>\$ 2,150.2</u>	<u>\$ 2,193.2</u>	<u>\$ 2,237.0</u>	<u>\$ 2,281.8</u>
15											
16	Property Taxes										
17	General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	1% in lieu of		-	-	11.1	52.5	56.0	59.6	63.0	66.3	69.7
19	Total Property Taxes		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11.1</u>	<u>\$ 52.5</u>	<u>\$ 56.0</u>	<u>\$ 59.6</u>	<u>\$ 63.0</u>	<u>\$ 66.3</u>	<u>\$ 69.7</u>
20											
21											
22	Depreciation & Amortization Expense										
23	Depreciation Provision		\$ -	\$ 2,488.7	\$ 2,600.0	\$ 2,713.6	\$ 2,829.5	\$ 2,947.7	\$ 3,068.3	\$ 3,191.2	\$ 3,316.6
24	Amortization Expense		-	-	-	-	-	-	-	-	-
25	Total Depreciation & Amortization Expense		<u>\$ -</u>	<u>\$ 2,488.7</u>	<u>\$ 2,600.0</u>	<u>\$ 2,713.6</u>	<u>\$ 2,829.5</u>	<u>\$ 2,947.7</u>	<u>\$ 3,068.3</u>	<u>\$ 3,191.2</u>	<u>\$ 3,316.6</u>

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
1	INCOME TAX EXPENSE									
2	Earned Return - Equity	\$ 15.1	\$ 393.2	\$ 448.3	\$ 502.6	\$ 556.1	\$ 608.9	\$ 661.0	\$ 712.2	\$ 762.6
3	Add: Depreciation Expense	-	2,488.7	2,600.0	2,713.6	2,829.5	2,947.7	3,068.3	3,191.2	3,316.6
4	Add: Amortization Expense	-	-	-	-	-	-	-	-	-
5	Add: Non-Allowable Expenses	-	-	-	-	-	-	-	-	-
6	Less: CCA / ECE	(1,595.5)	(3,207.9)	(3,255.3)	(3,326.1)	(3,413.3)	(3,512.1)	(3,619.0)	(3,731.9)	(3,849.0)
7	Less: Overhead Expense	37.5% (139.1)	(141.9)	(144.7)	(147.6)	(150.6)	(153.6)	(156.7)	(159.8)	(163.0)
8	Subtotal	(1,719.6)	(467.9)	(351.7)	(257.5)	(178.2)	(109.0)	(46.5)	11.8	67.3
9	Add: Large Corporation Expense	50.6	25.4	15.8	-	-	-	-	-	-
10	Taxable Income After Tax	\$ (1,669.0)	\$ (442.5)	\$ (335.9)	\$ (257.5)	\$ (178.2)	\$ (109.0)	\$ (46.5)	\$ 11.8	\$ 67.3
11										
12	Taxable Income	\$ (2,592.4)	\$ (687.4)	\$ (521.8)	\$ (400.0)	\$ (276.8)	\$ (169.3)	\$ (72.2)	\$ 18.3	\$ 104.5
13										
14	Current Tax Rate	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%
15	1 - Current Tax Rate	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%
16	Surtax	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%
17	LCT Rate	0.175%	0.125%	0.0625%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18										
19	Income Tax Expense	\$ (923.4)	\$ (244.8)	\$ (185.9)	\$ (142.5)	\$ (98.6)	\$ (60.3)	\$ (25.7)	\$ 6.5	\$ 37.2
20	Large Corporation Tax	50.6	25.4	15.8	-	-	-	-	-	-
21	Total Income Tax Expense	\$ (872.8)	\$ (219.5)	\$ (170.0)	\$ (142.5)	\$ (98.6)	\$ (60.3)	\$ (25.7)	\$ 6.5	\$ 37.2
22										
23	Large Corporation Tax Base									
24	Gas Plant in Service, end of year	\$ 21,442.6	\$ 23,897.5	\$ 26,401.5	\$ 28,955.6	\$ 31,560.7	\$ 34,218.0	\$ 36,928.4	\$ 39,693.0	\$ 42,512.9
25	Accumulated Dep'n, end of year	(9,126.1)	(9,714.8)	(10,376.8)	(11,113.7)	(11,926.9)	(12,818.0)	(13,788.5)	(14,840.0)	(15,974.2)
26	Net Plant in Service	12,316.6	14,182.8	16,024.7	17,841.9	19,633.8	21,400.0	23,139.9	24,853.0	26,538.7
27	Add: Working Capital	(2.0)	(53.0)	(60.4)	(67.7)	(75.0)	(82.1)	(89.1)	(96.0)	(102.8)
28	Add: Deferred Charges	-	-	-	-	-	-	-	-	-
29	LCT Tax Base	\$ 12,314.5	\$ 14,129.8	\$ 15,964.3	\$ 17,774.2	\$ 19,558.9	\$ 21,317.9	\$ 23,050.8	\$ 24,757.0	\$ 26,435.9
30										
31	Large Corporation Tax									
32	Large Corporation Tax on base	\$ 21.6	\$ 17.7	\$ 10.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33										
34	Taxable Income	\$ (2,592.4)	\$ (687.4)	\$ (521.8)	\$ (400.0)	\$ (276.8)	\$ (169.3)	\$ (72.2)	\$ 18.3	\$ 104.5
35	Less: Surtax	29.0	7.7	5.8	-	-	-	-	-	-
36										
37	Large Corporation Tax	\$ 50.6	\$ 25.4	\$ 15.8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38										
39	Capital Cost Allowance / Eligible Capital Expenditure									
40	Class 1, Opening Balance	\$ -	\$ 1,741.9	\$ 3,449.0	\$ 5,123.3	\$ 6,766.9	\$ 8,381.7	\$ 9,969.6	\$ 11,532.5	\$ 13,072.1
41	Additions	1,777.5	1,813.0	1,849.3	1,886.2	1,924.0	1,962.5	2,001.7	2,041.7	2,082.6
42	CCA Rate	4%	4%	4%	4%	4%	4%	4%	4%	4%
43	CCA	(35.5)	(105.9)	(174.9)	(242.7)	(309.2)	(374.5)	(438.8)	(502.1)	(564.5)
44	Class 1, Closing Balance	\$ 1,741.9	\$ 3,449.0	\$ 5,123.3	\$ 6,766.9	\$ 8,381.7	\$ 9,969.6	\$ 11,532.5	\$ 13,072.1	\$ 14,590.1
45										
46	Class 10, Opening Balance	\$ -	\$ 8,840.0	\$ 8,738.0	\$ 8,717.6	\$ 8,755.3	\$ 8,834.8	\$ 8,944.6	\$ 9,076.6	\$ 9,225.3
47	Additions	10,400.0	3,000.0	3,060.0	3,121.2	3,183.6	3,247.3	3,312.2	3,378.5	3,446.1
48	CCA Rate	30%	30%	30%	30%	30%	30%	30%	30%	30%
49	CCA	(1,560.0)	(3,102.0)	(3,080.4)	(3,083.5)	(3,104.1)	(3,137.5)	(3,180.2)	(3,229.8)	(3,284.5)
50	Class 10, Closing Balance	\$ 8,840.0	\$ 8,738.0	\$ 8,717.6	\$ 8,755.3	\$ 8,834.8	\$ 8,944.6	\$ 9,076.6	\$ 9,225.3	\$ 9,386.9

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line No.		1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
	Particulars									
1	RATE BASE / GAS PLANT in SERVICE									
2	Gas Plant in Service, Mid-Year	\$ 10,721.3	\$ 22,670.1	\$ 25,149.5	\$ 27,678.6	\$ 30,258.2	\$ 32,889.4	\$ 35,573.2	\$ 38,310.7	\$ 41,102.9
3	Accumulated Depreciaion	<u>(10,213.0)</u>	<u>(9,420.4)</u>	<u>(10,045.8)</u>	<u>(10,745.3)</u>	<u>(11,520.3)</u>	<u>(12,372.5)</u>	<u>(13,303.3)</u>	<u>(14,314.3)</u>	<u>(15,407.1)</u>
4	Net Plant	508.3	13,249.7	15,103.7	16,933.3	18,737.9	20,516.9	22,269.9	23,996.4	25,695.8
5										
6	Deferred Charges	-	-	-	-	-	-	-	-	-
7	Working Capital	<u>(2.0)</u>	<u>(53.0)</u>	<u>(60.4)</u>	<u>(67.7)</u>	<u>(75.0)</u>	<u>(82.1)</u>	<u>(89.1)</u>	<u>(96.0)</u>	<u>(102.8)</u>
8										
9	Total Rate Base	<u>\$ 506.2</u>	<u>\$ 13,196.7</u>	<u>\$ 15,043.3</u>	<u>\$ 16,865.6</u>	<u>\$ 18,662.9</u>	<u>\$ 20,434.8</u>	<u>\$ 22,180.8</u>	<u>\$ 23,900.4</u>	<u>\$ 25,593.1</u>
10										
11	Distribution Plant									
12										
13	Other Distribution Plant	\$ -	\$ 1,916.6	\$ 3,871.4	\$ 5,865.4	\$ 7,899.3	\$ 9,973.8	\$ 12,089.9	\$ 14,248.2	\$ 16,449.8
14	Additions	2% \$ 1,545.6	1,576.5	1,608.1	1,640.2	1,673.0	1,706.5	1,740.6	1,775.4	1,810.9
15	Overhead	370.9	378.4	385.9	393.7	401.5	409.6	417.7	426.1	434.6
16	Retirements	-	-	-	-	-	-	-	-	-
17	Closing Balance	<u>\$ 1,916.6</u>	<u>\$ 3,871.4</u>	<u>\$ 5,865.4</u>	<u>\$ 7,899.3</u>	<u>\$ 9,973.8</u>	<u>\$ 12,089.9</u>	<u>\$ 14,248.2</u>	<u>\$ 16,449.8</u>	<u>\$ 18,695.3</u>
18										
19	Accumulated Depreciation	\$ -	\$ -	\$ 47.9	\$ 144.7	\$ 291.3	\$ 488.8	\$ 738.2	\$ 1,040.4	\$ 1,396.6
20	Depreciation Provision	2.5% -	47.9	96.8	146.6	197.5	249.3	302.2	356.2	411.2
21	Retirements	-	-	-	-	-	-	-	-	-
22	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
23	End of Year Balance	<u>\$ -</u>	<u>\$ 47.9</u>	<u>\$ 144.7</u>	<u>\$ 291.3</u>	<u>\$ 488.8</u>	<u>\$ 738.2</u>	<u>\$ 1,040.4</u>	<u>\$ 1,396.6</u>	<u>\$ 1,807.9</u>
24										
25	Total Distribution Plant Opening Balance	\$ -	\$ 1,916.6	\$ 3,871.4	\$ 5,865.4	\$ 7,899.3	\$ 9,973.8	\$ 12,089.9	\$ 14,248.2	\$ 16,449.8
26	Additions	1,545.6	1,576.5	1,608.1	1,640.2	1,673.0	1,706.5	1,740.6	1,775.4	1,810.9
27	Overhead	370.9	378.4	385.9	393.7	401.5	409.6	417.7	426.1	434.6
28	Retirements	-	-	-	-	-	-	-	-	-
29	Closing Balance	<u>\$ 1,916.6</u>	<u>\$ 3,871.4</u>	<u>\$ 5,865.4</u>	<u>\$ 7,899.3</u>	<u>\$ 9,973.8</u>	<u>\$ 12,089.9</u>	<u>\$ 14,248.2</u>	<u>\$ 16,449.8</u>	<u>\$ 18,695.3</u>
30										
31	Accumulated Depreciation	\$ -	\$ -	\$ 47.9	\$ 144.7	\$ 291.3	\$ 488.8	\$ 738.2	\$ 1,040.4	\$ 1,396.6
32	Depreciation Provision	-	47.9	96.8	146.6	197.5	249.3	302.2	356.2	411.2
33	Retirements	-	-	-	-	-	-	-	-	-
34	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
35	End of Year Balance	<u>\$ -</u>	<u>\$ 47.9</u>	<u>\$ 144.7</u>	<u>\$ 291.3</u>	<u>\$ 488.8</u>	<u>\$ 738.2</u>	<u>\$ 1,040.4</u>	<u>\$ 1,396.6</u>	<u>\$ 1,807.9</u>
36										

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
37	General Plant									
38										
39	Transportation Equipment	\$ -	\$ 19,526.1	\$ 20,026.1	\$ 20,536.1	\$ 21,056.3	\$ 21,586.9	\$ 22,128.1	\$ 22,680.1	\$ 23,243.2
40	Additions	2.0% \$ - 21,700.0	3,000.0	3,060.0	3,121.2	3,183.6	3,247.3	3,312.2	3,378.5	3,446.1
41	Overhead									
42	Retirements	(2,173.9)	(2,500.0)	(2,550.0)	(2,601.0)	(2,653.0)	(2,706.1)	(2,760.2)	(2,815.4)	(2,871.7)
43	Closing Balance	\$ 19,526.1	\$ 20,026.1	\$ 20,536.1	\$ 21,056.3	\$ 21,586.9	\$ 22,128.1	\$ 22,680.1	\$ 23,243.2	\$ 23,817.6
44										
45	Accumulated Depreciation	\$ 11,300.0	\$ 9,126.1	\$ 9,666.8	\$ 10,232.1	\$ 10,822.4	\$ 11,438.1	\$ 12,079.8	\$ 12,748.1	\$ 13,443.4
46	Depreciation Provision	12.5% -	2,440.8	2,503.3	2,567.0	2,632.0	2,698.4	2,766.0	2,835.0	2,905.4
47	Retirements	(2,173.9)	(2,500.0)	(2,550.0)	(2,601.0)	(2,653.0)	(2,706.1)	(2,760.2)	(2,815.4)	(2,871.7)
48	Proceeds / (Removal Costs)	-	600.0	612.0	624.2	636.7	649.5	662.4	675.7	689.2
49	End of Year Balance	\$ 9,126.1	\$ 9,666.8	\$ 10,232.1	\$ 10,822.4	\$ 11,438.1	\$ 12,079.8	\$ 12,748.1	\$ 13,443.4	\$ 14,166.3
50										
51	Transportation Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52	Additions	-	-	-	-	-	-	-	-	-
53	Overhead									
54	Retirements	-	-	-	-	-	-	-	-	-
55	Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56										
57	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58	Depreciation Provision	15.0% -	-	-	-	-	-	-	-	-
59	Retirements	-	-	-	-	-	-	-	-	-
60	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
61	End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62										
63	Heavy Work Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
64	Additions									
65	Overhead									
66	Retirements									
67	Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
68										
69	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70	Depreciation Provision	5.0% -	-	-	-	-	-	-	-	-
71	Retirements	-	-	-	-	-	-	-	-	-
72	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
73	End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
74										
75	General Plant, Opening Balance	\$ -	\$ 19,526.1	\$ 20,026.1	\$ 20,536.1	\$ 21,056.3	\$ 21,586.9	\$ 22,128.1	\$ 22,680.1	\$ 23,243.2
76	Additions	21,700.0	3,000.0	3,060.0	3,121.2	3,183.6	3,247.3	3,312.2	3,378.5	3,446.1
77	Overhead									
78	Retirements	(2,173.9)	(2,500.0)	(2,550.0)	(2,601.0)	(2,653.0)	(2,706.1)	(2,760.2)	(2,815.4)	(2,871.7)
79	Closing Balance	\$ 19,526.1	\$ 20,026.1	\$ 20,536.1	\$ 21,056.3	\$ 21,586.9	\$ 22,128.1	\$ 22,680.1	\$ 23,243.2	\$ 23,817.6
80										
81	Accumulated Depreciation	\$ 11,300.0	\$ 9,126.1	\$ 9,666.8	\$ 10,232.1	\$ 10,822.4	\$ 11,438.1	\$ 12,079.8	\$ 12,748.1	\$ 13,443.4
82	Depreciation Provision	-	2,440.8	2,503.3	2,567.0	2,632.0	2,698.4	2,766.0	2,835.0	2,905.4
83	Retirements	(2,173.9)	(2,500.0)	(2,550.0)	(2,601.0)	(2,653.0)	(2,706.1)	(2,760.2)	(2,815.4)	(2,871.7)
84	Proceeds / (Removal Costs)	-	600.0	612.0	624.2	636.7	649.5	662.4	675.7	689.2
85	End of Year Balance	\$ 9,126.1	\$ 9,666.8	\$ 10,232.1	\$ 10,822.4	\$ 11,438.1	\$ 12,079.8	\$ 12,748.1	\$ 13,443.4	\$ 14,166.3
86										
87	Gas Plant in Service, Mid-Year	\$ 10,721.3	\$ 22,670.1	\$ 25,149.5	\$ 27,678.6	\$ 30,258.2	\$ 32,889.4	\$ 35,573.2	\$ 38,310.7	\$ 41,102.9
88	Accumulated Depreciation, Mid-Year	\$ 10,213.0	\$ 9,420.4	\$ 10,045.8	\$ 10,745.3	\$ 11,520.3	\$ 12,372.5	\$ 13,303.3	\$ 14,314.3	\$ 15,407.1
89										
90	Depreciation Expense	\$ -	\$ 2,488.7	\$ 2,600.0	\$ 2,713.6	\$ 2,829.5	\$ 2,947.7	\$ 3,068.3	\$ 3,191.2	\$ 3,316.6

TERASEN GAS INC.
VEHICLE PURCHASE OPTION

Line		1	2	3	4	5	6	7	8	9
No.	Particulars	2005	2006	2007	2008	2009	2010	2011	2012	2013
		-	-	-	-	-	-	-	-	-
91	Allocated Common Plant - Dep'n	-	-	-	-	-	-	-	-	-
92	Total Depreciation Expense	\$ -	\$ 2,488.7	\$ 2,600.0	\$ 2,713.6	\$ 2,829.5	\$ 2,947.7	\$ 3,068.3	\$ 3,191.2	\$ 3,316.6

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
1	SUMMARY: RATE BASE / REVENUE REQUIREMENT									
2	Rate Base - Mid-Year									
3	Gas Plant in Service	\$ 1,455.1	\$ 4,400.2	\$ 7,415.9	\$ 10,503.5	\$ 13,664.6	\$ 16,900.5	\$ 20,212.8	\$ 23,603.1	\$ 27,072.8
4	Accumulated Depreciation	-	(36.4)	(146.4)	(331.8)	(594.4)	(936.0)	(1,358.5)	(1,863.8)	(2,453.9)
5	Net Plant	1,455.1	4,363.8	7,269.5	10,171.7	13,070.2	15,964.5	18,854.4	21,739.3	24,618.9
6										
7	Deferred Charges	-	-	-	-	-	-	-	-	-
8	Working Capital	(5.8)	(17.5)	(29.1)	(40.7)	(52.3)	(63.9)	(75.4)	(87.0)	(98.5)
9	Total Rate Base	\$ 1,449.3	\$ 4,346.4	\$ 7,240.4	\$ 10,131.1	\$ 13,017.9	\$ 15,900.7	\$ 18,778.9	\$ 21,652.3	\$ 24,520.4
10										
11	Capital Structure									
12	Debt	67%	67%	67%	67%	67%	67%	67%	67%	67%
13	Equity	33%	33%	33%	33%	33%	33%	33%	33%	33%
14	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
15										
16	Rate of Return									
17	Debt	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%	6.77%
18	Equity	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%
19										
20	Earned Return									
21	Debt	\$ 65.7	\$ 197.1	\$ 328.4	\$ 459.5	\$ 590.5	\$ 721.2	\$ 851.8	\$ 982.1	\$ 1,112.2
22	Equity	43.2	129.5	215.8	301.9	387.9	473.8	559.6	645.2	730.7
23	Return on Rate Base	108.9	326.7	544.2	761.4	978.4	1,195.1	1,411.4	1,627.3	1,842.9
24										
25	Cost of Gas									
26	Operating & Maintenance Expense	3,397.4	3,477.2	3,558.6	3,641.6	3,726.3	3,812.6	3,900.7	3,990.6	4,082.3
27	Depreciation & Amortization Expense	-	72.8	147.3	223.5	301.6	381.6	463.4	547.2	632.9
28	Property Taxes	-	-	33.8	37.8	42.1	46.1	50.2	54.4	58.7
29	Other Revenue	-	-	-	-	-	-	-	-	-
30	Income Tax Expense	(125.4)	(97.1)	(73.1)	(55.8)	(24.3)	8.7	43.3	79.4	117.0
31										
32	Total Revenue Deficiency / (Surplus) Before Sharing	\$ 3,380.9	\$ 3,779.5	\$ 4,210.7	\$ 4,608.6	\$ 5,024.1	\$ 5,444.1	\$ 5,869.1	\$ 6,299.0	\$ 6,733.8
33	1 - Tax Rate	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%
34	Surplus Sharing Proportion	0.5								
35	Surplus Sharing	-	-	-	-	-	-	-	-	-
36	Total Revenue Requirement Post Sharing	\$ 3,380.9	\$ 3,779.5	\$ 4,210.7	\$ 4,608.6	\$ 5,024.1	\$ 5,444.1	\$ 5,869.1	\$ 6,299.0	\$ 6,733.8
37	NPV (2006-2013)	\$32,061								

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.			1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
	Particulars										
	OPERATING & MAINTENANCE, PROPERTY TAXES, &										
1	DEPRECIATION & AMORTIZATION EXPENSES										
2	Operating & Maintenance Expense	\$ 433.2733									
3	Gross O&M / Lease										
4	O&M Component	2% \$ 3,357.9	\$ 3,791.1	\$ 3,867.0	\$ 3,944.3	\$ 4,023.2	\$ 4,103.6	\$ 4,185.7	\$ 4,269.4	\$ 4,354.8	\$ 4,441.9
5	Lease Component	0% \$ 2,949.7	2,949.7	3,032.2	3,116.4	3,202.2	3,289.7	3,379.0	3,470.1	3,563.0	3,657.8
6	Total Gross Expense	\$ 6,307.6	\$ 6,740.8	\$ 6,899.2	\$ 7,060.7	\$ 7,225.4	\$ 7,393.4	\$ 7,564.8	\$ 7,739.6	\$ 7,917.9	\$ 8,099.7
7											
8	60% of Gross O&M		\$ 4,044.5	\$ 4,139.5	\$ 4,236.4	\$ 4,335.2	\$ 4,436.0	\$ 4,538.9	\$ 4,643.7	\$ 4,750.7	\$ 4,859.8
9	Overhead Capitalization	16%	(647.1)	(662.3)	(677.8)	(693.6)	(709.8)	(726.2)	(743.0)	(760.1)	(777.6)
10	Total Operating & Maintenance Expense		\$ 3,397.4	\$ 3,477.2	\$ 3,558.6	\$ 3,641.6	\$ 3,726.3	\$ 3,812.6	\$ 3,900.7	\$ 3,990.6	\$ 4,082.3
11											
12	Property Taxes										
13	General	13% \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$
14	1% in lieu of		-	-	33.8	37.8	42.1	46.1	50.2	54.4	58.7
15	Total Property Taxes		\$ -	\$ -	\$ 33.8	\$ 37.8	\$ 42.1	\$ 46.1	\$ 50.2	\$ 54.4	\$ 58.7
16											
17											
18	Depreciation & Amortization Expense										
19	Depreciation Provision		\$ -	\$ 72.8	\$ 147.3	\$ 223.5	\$ 301.6	\$ 381.6	\$ 463.4	\$ 547.2	\$ 632.9
20	Amortization Expense		-	-	-	-	-	-	-	-	-
21	Total Depreciation & Amortization Expense		\$ -	\$ 72.8	\$ 147.3	\$ 223.5	\$ 301.6	\$ 381.6	\$ 463.4	\$ 547.2	\$ 632.9

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
1	INCOME TAX EXPENSE									
2	Earned Return - Equity	\$ 43.2	\$ 129.5	\$ 215.8	\$ 301.9	\$ 387.9	\$ 473.8	\$ 559.6	\$ 645.2	\$ 730.7
3	Add: Depreciation Expense	-	72.8	147.3	223.5	301.6	381.6	463.4	547.2	632.9
4	Add: Amortization Expense	-	-	-	-	-	-	-	-	-
5	Add: Non-Allowable Expenses	-	-	-	-	-	-	-	-	-
6	Less: CCA / ECE	(53.4)	(159.2)	(263.4)	(366.1)	(467.4)	(567.3)	(666.1)	(763.8)	(860.5)
7	Less: Overhead Expense	(242.7)	(248.4)	(254.2)	(260.1)	(266.2)	(272.3)	(278.6)	(285.0)	(291.6)
8	Subtotal	(252.8)	(205.3)	(154.6)	(100.8)	(44.0)	15.7	78.3	143.6	211.5
9	Add: Large Corporation Expense	9.3	10.6	8.0	-	-	-	-	-	-
10	Taxable Income After Tax	\$ (243.5)	\$ (194.7)	\$ (146.6)	\$ (100.8)	\$ (44.0)	\$ 15.7	\$ 78.3	\$ 143.6	\$ 211.5
11										
12	Taxable Income	\$ (378.2)	\$ (302.4)	\$ (227.7)	\$ (156.5)	\$ (68.3)	\$ 24.5	\$ 121.6	\$ 223.0	\$ 328.6
13										
14	Current Tax Rate	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%	35.62%
15	1 - Current Tax Rate	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%	64.38%
16	Surtax	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%	1.12%
17	LCT Rate	0.175%	0.125%	0.0625%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18										
19	Income Tax Expense	\$ (134.7)	\$ (107.7)	\$ (81.1)	\$ (55.8)	\$ (24.3)	\$ 8.7	\$ 43.3	\$ 79.4	\$ 117.0
20	Large Corporation Tax	9.3	10.6	8.0	-	-	-	-	-	-
21	Total Income Tax Expense	\$ (125.4)	\$ (97.1)	\$ (73.1)	\$ (55.8)	\$ (24.3)	\$ 8.7	\$ 43.3	\$ 79.4	\$ 117.0
22										
23	Large Corporation Tax Base									
24	Gas Plant in Service, end of year	\$ 2,910.2	\$ 5,890.2	\$ 8,941.5	\$ 12,065.5	\$ 15,263.7	\$ 18,537.4	\$ 21,888.3	\$ 25,317.9	\$ 28,827.7
25	Accumulated Dep'n, end of year	-	(72.8)	(220.0)	(443.5)	(745.2)	(1,126.8)	(1,590.2)	(2,137.4)	(2,770.4)
26	Net Plant in Service	2,910.2	5,817.5	8,721.5	11,622.0	14,518.5	17,410.6	20,298.1	23,180.4	26,057.3
27	Add: Working Capital	(5.8)	(17.5)	(29.1)	(40.7)	(52.3)	(63.9)	(75.4)	(87.0)	(98.5)
28	Add: Deferred Charges	-	-	-	-	-	-	-	-	-
29	LCT Tax Base	\$ 2,904.4	\$ 5,800.0	\$ 8,692.4	\$ 11,581.3	\$ 14,466.2	\$ 17,346.8	\$ 20,222.7	\$ 23,093.5	\$ 25,958.8
30										
31	Large Corporation Tax									
32	Large Corporation Tax on base	\$ 5.1	\$ 7.3	\$ 5.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33										
34	Taxable Income	\$ (378.2)	\$ (302.4)	\$ (227.7)	\$ (156.5)	\$ (68.3)	\$ 24.5	\$ 121.6	\$ 223.0	\$ 328.6
35	Less: Surtax	4.2	3.4	2.6	-	-	-	-	-	-
36										
37	Large Corporation Tax	\$ 9.3	\$ 10.6	\$ 8.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38										
39	Capital Cost Allowance / Eligible Capital Expenditure									
40	Class 1, Opening Balance	\$ -	\$ 2,614.2	\$ 5,186.6	\$ 7,720.4	\$ 10,218.1	\$ 12,682.7	\$ 15,116.8	\$ 17,523.0	\$ 19,903.7
41	Additions	2,667.5	2,731.7	2,797.1	2,863.9	2,932.0	3,001.4	3,072.3	3,144.5	3,218.2
42	CCA Rate	4%	4%	4%	4%	4%	4%	4%	4%	4%
43	CCA	(53.4)	(159.2)	(263.4)	(366.1)	(467.4)	(567.3)	(666.1)	(763.8)	(860.5)
44	Class 1, Closing Balance	\$ 2,614.2	\$ 5,186.6	\$ 7,720.4	\$ 10,218.1	\$ 12,682.7	\$ 15,116.8	\$ 17,523.0	\$ 19,903.7	\$ 22,261.4
45										
46	Class 10, Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	Additions	-	-	-	-	-	-	-	-	-
48	CCA Rate	30%	30%	30%	30%	30%	30%	30%	30%	30%
49	CCA	-	-	-	-	-	-	-	-	-

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.	Particulars	1	2	3	4	5	6	7	8	9
		<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
50	Class 10, Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
1	RATE BASE / GAS PLANT in SERVICE									
2	Gas Plant in Service, Mid-Year	\$ 1,455.1	\$ 4,400.2	\$ 7,415.9	\$ 10,503.5	\$ 13,664.6	\$ 16,900.5	\$ 20,212.8	\$ 23,603.1	\$ 27,072.8
3	Accumulated Depreciaion	-	(36.4)	(146.4)	(331.8)	(594.4)	(936.0)	(1,358.5)	(1,863.8)	(2,453.9)
4	Net Plant	1,455.1	4,363.8	7,269.5	10,171.7	13,070.2	15,964.5	18,854.4	21,739.3	24,618.9
5										
6	Deferred Charges	-	-	-	-	-	-	-	-	-
7	Working Capital	(5.8)	(17.5)	(29.1)	(40.7)	(52.3)	(63.9)	(75.4)	(87.0)	(98.5)
8										
9	Total Rate Base	\$ 1,449.3	\$ 4,346.4	\$ 7,240.4	\$ 10,131.1	\$ 13,017.9	\$ 15,900.7	\$ 18,778.9	\$ 21,652.3	\$ 24,520.4
10										
11	Distribution Plant									
12	Other Distribution Plant	\$ -	\$ 2,910.2	\$ 5,890.2	\$ 8,941.5	\$ 12,065.5	\$ 15,263.7	\$ 18,537.4	\$ 21,888.3	\$ 25,317.9
13	Additions	2% \$ - 2,263.1	2,317.7	2,373.5	2,430.4	2,488.4	2,547.5	2,607.9	2,669.4	2,732.2
14	Overhead	647.1	662.3	677.8	693.6	709.8	726.2	743.0	760.1	777.6
15	Retirements	-	-	-	-	-	-	-	-	-
16	Closing Balance	\$ 2,910.2	\$ 5,890.2	\$ 8,941.5	\$ 12,065.5	\$ 15,263.7	\$ 18,537.4	\$ 21,888.3	\$ 25,317.9	\$ 28,827.7
17										
18	Accumulated Depreciation	\$ -	\$ -	\$ 72.8	\$ 220.0	\$ 443.5	\$ 745.2	\$ 1,126.8	\$ 1,590.2	\$ 2,137.4
19	Depreciation Provision	2.5% -	72.8	147.3	223.5	301.6	381.6	463.4	547.2	632.9
20	Retirements	-	-	-	-	-	-	-	-	-
21	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
22	End of Year Balance	\$ -	\$ 72.8	\$ 220.0	\$ 443.5	\$ 745.2	\$ 1,126.8	\$ 1,590.2	\$ 2,137.4	\$ 2,770.4
23										
24	Total Distribution Plant Opening Balance	\$ -	\$ 2,910.2	\$ 5,890.2	\$ 8,941.5	\$ 12,065.5	\$ 15,263.7	\$ 18,537.4	\$ 21,888.3	\$ 25,317.9
25	Additions	2,263.1	2,317.7	2,373.5	2,430.4	2,488.4	2,547.5	2,607.9	2,669.4	2,732.2
26	Overhead	647.1	662.3	677.8	693.6	709.8	726.2	743.0	760.1	777.6
27	Retirements	-	-	-	-	-	-	-	-	-
28	Closing Balance	\$ 2,910.2	\$ 5,890.2	\$ 8,941.5	\$ 12,065.5	\$ 15,263.7	\$ 18,537.4	\$ 21,888.3	\$ 25,317.9	\$ 28,827.7
29										
30	Accumulated Depreciation	\$ -	\$ -	\$ 72.8	\$ 220.0	\$ 443.5	\$ 745.2	\$ 1,126.8	\$ 1,590.2	\$ 2,137.4
31	Depreciation Provision	-	72.8	147.3	223.5	301.6	381.6	463.4	547.2	632.9
32	Retirements	-	-	-	-	-	-	-	-	-
33	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
34	End of Year Balance	\$ -	\$ 72.8	\$ 220.0	\$ 443.5	\$ 745.2	\$ 1,126.8	\$ 1,590.2	\$ 2,137.4	\$ 2,770.4
35										

TERASEN GAS INC.
VEHICLE LEASE OPTION

Line No.	Particulars	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013
36	General Plant									
37	Transportation Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Additions	-	-	-	-	-	-	-	-	-
39	Overhead									
40	Retirements	-	-	-	-	-	-	-	-	-
41	Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42										
43	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	Depreciation Provision	15.0%	-	-	-	-	-	-	-	-
45	Retirements	-	-	-	-	-	-	-	-	-
46	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
47	End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48										
49	Heavy Work Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50	Additions									
51	Overhead									
52	Retirements									
53	Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
54										
55	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56	Depreciation Provision	5.0%	-	-	-	-	-	-	-	-
57	Retirements	-	-	-	-	-	-	-	-	-
58	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
59	End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
60										
61	General Plant, Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62	Additions	-	-	-	-	-	-	-	-	-
63	Overhead	-	-	-	-	-	-	-	-	-
64	Retirements	-	-	-	-	-	-	-	-	-
65	Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
66										
67	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
68	Depreciation Provision	-	-	-	-	-	-	-	-	-
69	Retirements	-	-	-	-	-	-	-	-	-
70	Proceeds / (Removal Costs)	-	-	-	-	-	-	-	-	-
71	End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72										
73	Gas Plant in Service, Mid-Year	\$ 1,455.1	\$ 4,400.2	\$ 7,415.9	\$ 10,503.5	\$ 13,664.6	\$ 16,900.5	\$ 20,212.8	\$ 23,603.1	\$ 27,072.8
74	Accumulated Depreciation, Mid-Year	\$ -	\$ 36.4	\$ 146.4	\$ 331.8	\$ 594.4	\$ 936.0	\$ 1,358.5	\$ 1,863.8	\$ 2,453.9
75										
76	Depreciation Expense	\$ -	\$ 72.8	\$ 147.3	\$ 223.5	\$ 301.6	\$ 381.6	\$ 463.4	\$ 547.2	\$ 632.9
77	Allocated Common Plant - Dep'n	-	-	-	-	-	-	-	-	-
78	Total Depreciation Expense	\$ -	\$ 72.8	\$ 147.3	\$ 223.5	\$ 301.6	\$ 381.6	\$ 463.4	\$ 547.2	\$ 632.9

APPENDIX 5.3

TERASEN GAS INC.

16705 Fraser Highway
Surrey, British Columbia
Canada V3S 2X7

Tel (604) 592-7388
Fax (604) 592-7670



October 31, 2005

British Columbia Hydro and Power Authority
12251 88th Avenue
Surrey, British Columbia
V3W 3J4

Attention: John Irvine, Manager Fleet Services

Dear Sirs:

RE: Vehicle Sale and Transfer Agreement ("Transfer Agreement") made as of October 31, 2005 between British Columbia Hydro and Power Authority ("BC Hydro") as Vendor and PHH Vehicle Management Services Inc. ("PHH") as Purchaser.

In accordance with an agreement made between Terasen Gas Inc. ("Terasen Gas") and BC Hydro as of January 1, 2004, BC Hydro agreed to sell the vehicle fleet owned by BC Hydro and leased to Terasen Gas (the "Vehicles") to Terasen Gas' nominee. Terasen Gas and BC Hydro further agreed that the sale price of such Vehicles would be the book value of such vehicles as more specifically set out in the Vehicle Services Agreement between the parties dated for reference April 1, 1993 as amended.

Terasen Gas has nominated PHH as the purchaser of the Vehicles. Therefore BC Hydro, concurrently with this letter agreement, will sell and transfer such Vehicles to PHH in accordance with the Transfer Agreement for a total purchase price of \$9,311,564.61, including applicable taxes) of which \$7,688,777.11 (including applicable taxes) is to be paid by PHH and \$1,622,787.50 (including applicable taxes) is to be paid by Terasen Gas. In consideration of the foregoing, Terasen Gas hereby agrees to pay to BC Hydro such sum of \$1,622,787.50 including applicable taxes by wire transfer with payment to the credit of BC

Hydro on or before 4.30pm Pacific Standard Time on October 31, 2005. Terasen Gas agrees that it takes no ownership interest in the Vehicles and that title to the Vehicles passes directly from BC Hydro to PHH.

Please sign a copy of this letter to indicate your agreement to the foregoing and return it to us. Thank you for your assistance in completing this transaction.

Yours truly,

TERASEN GAS INC.

Bob Samels
Vice-President, Business Services and CIO



Agreed, effective October 31, 2005.
British Columbia Hydro and Power Authority

Per: _____

Authorized Signatory

Name: _____

Title: _____

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
1039	516712072	00	Bobcat	334	Mini Excavator	\$ 23,900
1040	516712086	00	Bobcat	334	Mini Excavator	\$ 23,900
1051	63922	00	Toyota	forklift	Forklift 4000# - Cushion	\$ 20,726
1054	WE000875	00	Ditchwitch	IHI 30NX	Mini Excavator	\$ 39,178
1111	965	57	Bullmoose	Bullmoose	Mobile Crane	\$ -
1130	T0410GX903907	02	John Deere	410G	Loader/Backhoe 4X4	\$ 80,700
1138	FF050ZX240617	02	John Deere	50ZTS	Compact Excavator	\$ 73,789
1271	4FVCABAA73U333034	03	Ingersoll-Rand	air compressor	air compressor	\$ 19,289
1274	514451911	03	Bobcat	863	Skid Steer	\$ 42,271
1275	FF035CX231072	03	John Deere	JD35	Mini Excavator	\$ 45,103
1277	232412781	03	Bobcat	328	Mini Excavator	\$ 37,150
1296	T0310SG935928	04	John Deere	310SG	LOADER/BACKHOE 4X4 (DIESEL)	\$ 82,555
1297	GB00106	04	Forklift	6000#	Daewoo	\$ 38,654
1300	177846	04	INGERSOLL	DD-16	Asphalt Compactor	\$ 25,816
1386	300390CODE9833	92	Lincoln	250CDN	Welder	\$ 1,881
1387	292441CODEW384-2	92	Lincoln	250CDN	Welder	\$ 1,881
1394	CC1000577	93	Lincoln	Classic	Welder	\$ 2,506
1395	C1000579	93	Lincoln	Classic	Welder	\$ 2,871
1417	308901	93	Lincoln	K6090-2	Welder	\$ 2,902
1418	308894	93	Lincoln	Classic	Welder	\$ 2,764
1433	11765	94	Yale	GLP070LF	Forklift 7000# - Pneumatic	\$ 19,501
1437	C1941100515	95	Lincoln	SA200	Welder	\$ 3,662
1438	C1941100516	95	Lincoln	SA200	Welder	\$ 3,421
1441	12055	95	Toyota	5FBC20	Forklift 4000# - Cushion	\$ 13,598
1447	10952085	95	Patrick	AR10C	Forklift 20,000LB- Pneumatic	\$ 76,449
1453	EASI-93-AEO9022	94	Raymond	OPC30TT	ORDERPICKER 3000LB ELECTRIC	\$ 16,512
1457	60566	96	Toyota	6FGU15	Forklift 3000# - Pneumatic	\$ 15,501
1487	SLP411OOXE0527616	99	JCB	411 BHT	950 Backhoe Loader	\$ 52,804
1489	T0310SE884306	00	John Deere	310SE	Backhoe Loader 4X4	\$ 43,522
1490	T0310SE884327	00	John Deere	310SE	Backhoe Loader 4X4	\$ 43,522
1491	T0310SE884339	00	John Deere	310SE	Backhoe Loader 4X4	\$ 43,902
1492	WE000542	00	Ditchwitch	IHI 30NX	Mini Excavator	\$ 34,214
1494	WE000544	00	Ditchwitch	IHI 30NX	Mini Excavator	\$ 33,770
1495	WE000541	00	Ditchwitch	IHI 30NX	Mini Excavator	\$ 30,249
1496	SA-00-01044	99	Raymond	OPC30TT	Forklift	\$ 59,176
1497	EASI00AJ25074	99	Raymond	OPC30TT	Forklift	\$ 24,442
1498	1VRM112L9Y1001763	00	Vermeer	LM42	Vibratory Plow	\$ 18,625
1501	649232	74	Ditchwitch	R65	Trencher	\$ -
1502	8PB03578	90	Caterpillar	D4H	Bulldozer w/sideboom	\$ 1,096
1503	3EC1844	86	Caterpillar	V50D	Forklift 8000# - Pneumatic	\$ 3,496
1504	2NC00967	88	Caterpillar	V50D	Forklift 8000# - Pneumatic	\$ 6,216
1509	D3T2399Z	80	Hystar	H50H	Forklift 5000# - Pneumatic	\$ 3,876
1512	2NC00946	89	Caterpillar	V50DSA	Forklift 5000# - Pneumatic	\$ 7,080
1516	20110	94	Toyota	025FG35	Forklift 8000# - Pneumatic	\$ 17,482
1517	4L0256	94	Ditchwitch	400SX CW	Trencher	\$ 15,897
1518	N546346	93	Yale	GLP050TE	Forklift 5000# - Pneumatic	\$ 12,621
1519	31E1494	83	Raymond	31R40TT	Forklift - Narrow aisle	\$ 12,220
1522	020D-91-33693	91	Raymond	20R30TT	Forklift - Narrow aisle	\$ 7,671
1523	031E-85-9796	85	Raymond	31R30TT	Forklift - Narrow aisle	\$ 8,024
1527	5BC00701	86	Caterpillar	VC60D	ForkLift	\$ 7,976
1529	T0310EX838801	98	John Deere	310E	Backhoe	\$ 37,121
1531	006	89		Pipe Bender	Pipe Bender - Unit A7036	\$ (3,039)
1534	291116	91	Lincoln	350CDN	Welder	\$ (659)
1535	LD22778V7201729	82	Leroi	175CFM	Tow Compressor	\$ (2,253)
1537	979692	91	Atlas	175CFM	Tow Compressor	\$ 3,782
1538	200844	93	Atlas	125CFM	Tow Compressor	\$ 5,577
1539	3270X89	94	Leroi	175CFM	Tow Compressor	\$ 4,315
1540	004122688	97	Sullair	250 CFM	Tow Compressor	\$ 15,019
1543	T0310EX841299	98	John Deere	310E	Backhoe	\$ 38,706
2031	1FDXE47F9WHB38496	98	Ford	E450	Van Cutaway Bin	\$ 13,310
2112	1FV6HFBA8XHB61050	99	Freightliner	FL70	F/deck Ramp Truck	\$ 35,696
2135	1FTVE24M4WHA91980	98	Ford	E250	3/4 T Cargo Van 4X2	\$ 5,723
2140	1FV3GFAC3XHA18581	99	Freightliner	FL160	S/Body w/wldr or comp	\$ 51,228
2142	1GBKC34F8YF409862	00	Chev	C31403	F/deck	\$ 16,419
2143	1GBKC34F2YF410554	00	Chev	C31403	F/deck	\$ 16,320

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
2203	2FTPX27L3XCA75834	99	Ford	F250	3/4 T Ext Cab P/U 4X2	\$ 10,192
2216	3B7HF12Z2XG202623	99	Dodge	Ram 1500	1/2 T Ext Cab P/U 4X4	\$ 8,521
2229	1FTRF17Z2XKC03745	99	Ford	F150	1/2 T Reg Cab P/U 4X2	\$ 10,469
2230	1FTRF27Z2XKC03749	99	Ford	F250	3/4 T Reg Cab P/U 4X2	\$ 9,272
2235	1FTPX27Z9XKC03736	99	Ford	F250	3/4 T Ext Cab P/U 4X2	\$ 11,038
2238	1FTPX2724XKC03739	99	Ford	F250	3/4 T Ext Cab P/U 4X2	\$ 9,803
2239	1FTVE24M3XHB60630	99	Ford	E250	Cargo Van SL127 CNG	\$ 11,910
2277	1FV3GFBA3YHF63100	00	Freightliner	FL60	Cab & Chassis	\$ 73,715
2278	1FV3GFBA5YHF63101	00	Freightliner	FL60	Cab & Chassis	\$ 72,527
2279	1FDAF56F0XEE33063	99	Ford	F550	S/Body Welding Truck 4X2	\$ 30,218
2296	1FTSE34M 7XHB65905	99	Ford	E350	Van Cargo 127SL BIN CNG	\$ 9,742
2320	2FTPX17Z5YCA35545	00	Ford	F150	1/2 T P/U 4X2	\$ 12,318
2323	1FTSS34M3XHC03008	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,362
2324	1FTSS34M5XHC03009	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,315
2325	1FTSS34M1XHC03010	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,638
2326	1FTSS34M3XHC03011	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,175
2327	1FTSS34M5XHC03012	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	
2328	1FTSS34Z1XHC24743	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,619
2329	1FTSS34Z3XHC24744	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,721
2330	1FTSS34Z5XHC24745	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,761
2332	1FTSS34Z9XHC24747	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,807
2333	1FTSS34Z0XHC24748	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,948
2334	1FTSS34Z2XHC24749	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 21,917
2335	1FTSS34Z9XHC24750	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,614
2336	1FTSS34Z0XHC24751	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 17,034
2337	1FTSS34Z2XHC24752	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,150
2338	1FTSS34Z4XHC24753	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,036
2339	1FTSS34Z6XHC24754	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,256
2340	1FTSS34Z8XHC24755	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 18,935
2341	1FTSS34ZXHC24756	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,030
2342	1FTSS34Z1XHC24757	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,543
2343	1FTSS34Z3XHC24758	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,306
2344	1FTSS34Z5XHC24759	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,134
2345	1FTSE34M8XHC03013	99	Ford	E350	1 T Cargo Van 4X2	\$ 14,086
2347	1FTSE34Z2XHC24760	99	Ford	E350	1 T Cargo Van 4X2	\$ 14,139
2348	1FTSE34Z4XHC24761	99	Ford	E350	1 T Cargo Van 4X2	\$ 12,825
2350	1FTSE34Z8XHC24763	99	Ford	E350	1 T Cargo Van 4X2	\$ 14,497
2351	1FTSE34ZXHC24764	99	Ford	E350	1 T Cargo Van 4X2	\$ 14,818
2352	1GBHC34R2XF081941	99	Chev	C31003	1 T F/deck Welder	\$ 7,235
2353	1GBHC34R5XF083344	99	Chev	C31003	1 T F/deck Welder	\$ 7,262
2354	1GBHC34R3XF082242	99	Chev	C31003	1 T F/deck Welder	\$ 7,266
2355	1GBHC34R5XF082176	99	Chev	CK31003	1 T F/deck welder 1417	\$ 7,493
2356	1GBHC34R9XF083623	99	Chev	CK31003	1 T F/deck welder 1394	\$ 7,468
2409	1FTSE34M1XHC03015	99	Ford	E350	VAN SL127 BIN ALM CNG	\$ 11,260
2416	1FTSS34M2XHC03016	99	Ford	E350	1 T Cargo V 4X2 - LWB Hi-T	\$ 19,436
2472	1FTVE24M7YHA97503	00	Ford	E250	3/4 T Cargo Van Hi-Top	\$ 16,332
2473	1FTVE24M9YHA97504	00	Ford	E250	3/4 T Cargo Van 4X2	\$ 15,831
2474	1FTVE24M0YHA97505	00	Ford	E250	3/4 T Cargo Van Hi-Top	\$ 15,548
2475	1FTVE24M2YHA97506	00	Ford	E250	3/4 T Cargo Van	\$ 15,223
2476	1FTVE24M4YHA97507	00	Ford	E250	3/4 T Cargo Van 4X2	\$ 14,288
2477	1FTVE24M6YHA97508	00	Ford	E250	3/4 T Cargo Van 4X2	\$ 14,624
2478	1FTVE24M8YHA97509	00	Ford	E250	3/4 T Cargo Van 4X2	\$ 15,183
2479	1FTSE34M3YHA97510	00	Ford	E350	1 T Cargo Van 4X2	\$ 17,092
2480	1FTSE34M5YHA97511	00	Ford	E350	1 T Cargo Van 4X2	\$ 17,081
2481	1FTSE34M7YHA97512	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,214
2482	1FTSE34M7YHA97513	00	Ford	E350	1 T Cargo Van 4X2	\$ 17,317
2483	1FTSE34M0YHA97514	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,650
2484	1FTSE34M2YHA97515	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,284
2485	1FTSE34M4YHA97516	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,727
2486	1FTSE34M8YHA93419	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,216
2487	1FTSE34M4YHA93420	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,778
2488	1FTSE34M6YHA03421	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,494
2489	1FTSE34M8YHA93422	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,132
2490	1FTSE34MXYHA93423	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,217
2491	1FTSE34M1YHA93424	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,847

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
2492	1FTSS34M2YHA93425	00	Ford	E350	1 T Cargo Van 4X2	\$ 15,438
2493	1FTSE34L4YHA97040	00	Ford	E350	1 T Cargo Van 4X2	\$ 16,000
2503	2B4GP253XYR708022	00	Dodge	Caravan	Compact Van 5 pass	\$ 9,226
2508	2FTPF17Z4YCA52596	00	Ford	F150	3/4 T Reg Cab P/U 4X2	\$ 10,161
2509	2FTPX17ZXYCA52597	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 13,855
2510	2FTPX17Z1YCA52598	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 14,345
2511	2FTPX17Z3YCA52599	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 13,242
2512	2FTPX17Z6YCA52600	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 13,086
2513	2FTPX17Z8YCA52601	00	Ford	F150	1/2 T Ext Cab P/U 4X2	\$ 13,711
2516	2FTPX17Z3YCA52604	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 13,107
2517	2FTPX17Z5YCA52605	00	Ford	F250	3/4 T Ext Cab P/U 4X2	\$ 13,678
2518	2FTPX18Z8YCA52595	00	Ford	F150	1/2 T Ext Cab P/U 4X4	\$ 11,029
2519	3G1JC5240YS187018	00	Chev	Cavalier	Sedan 4Dr	\$ 9,009
2520	3G1JC5245YS187516	00	Chev	Cavalier	Sedan 4Dr	\$ 9,004
2522	3G1JC5247YS187212	00	Chev	Cavalier	Sedan 4Dr	\$ 9,158
2523	1FTRF17Z4XKB95793	99	Ford	F150	1/2 T Reg Cab P/U 4X2	\$ 9,288
2525	1GBGC34R7YF497707	00	Chev	C30903	1 T S/Body 4X2	\$ 17,492
2526	1GBGC34RXYF495501	00	Chev	C30903	1 T S/Body 4X2	\$ 19,264
2529	1GCHK34R9YR188242	00	Chev	CK30903	1 T P/U 4X4	\$ 11,107
2530	1GCGK24R8YR189887	00	Chev	CK30903	1 T S/Body 4X4	\$ 8,541
2531	1GCHK34R7YR188661	00	Chev	CK30903	1 T P/U 4X4	\$ 16,718
2533	1FDXE45F4YHB09297	00	Ford	E350	Van Cutaway	\$ 13,297
2546	1FTPX17Z3YCA64137	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 13,491
2547	1FTPX17Z5YCA64138	00	Ford	F150	3/4 T Ext Cab P/U 4X2	\$ 12,940
2548	2B7KB31Z1YK168337	00	Dodge	B3500	1 T L/Cargo Van 4X2	\$ 16,418
2549	2B7KB31Z3YK168338	00	Dodge	B3500	1 T L/Cargo Van 4X2	\$ 17,417
2550	2B7KB31Z5YK168339	00	Dodge	B3500	1 T L/Cargo Van 4X2	\$ 17,566
2551	2B7KB31Z1YK168340	00	Dodge	B3500	1 T L/Cargo Van 4X2	\$ 16,459
2567	1FDXF46S3YED26463	00	Ford	F450	1 T S/Body 4X4	\$ 20,192
2573	2FTPX17Z6YCA90358	00	Ford	F150	3/4 T Reg Cab P/U 4X2	\$ 13,515
2595	1HTSDAAL01H350164	01	International	4900	Heavy Duty Utility	\$ 86,813
2596	1HTSDAAL21H350165	01	International	4900	Heavy Duty Utility	\$ 88,169
2597	1HTSDAAL91H350163	01	International	4900	Heavy Duty Utility	\$ 81,572
2598	1FVABRBW61HH66412	01	Freightliner	FL60	S/Body Wldr or comp	\$ 81,105
2738	1FDNX21S6YED48375	00	Ford	F350	1 T Ext Cab S/Body 4X4	\$ 22,328
2739	2FTPX18ZXYCA90359	00	Ford	F150	3/4 T Reg Cab P/U 4X4	\$ 16,789
2858	3G1JC52411S203331	01	Chev	Cavalier	Compact Sedan Bi-Fuel	\$ 11,148
2859	3G1JC52491S201567	01	Chev	Cavalier	Compact Sedan Bi-Fuel	\$ 11,121
2860	3G1JC52401S202431	01	Chev	Cavalier	Compact Sedan Bi-Fuel	\$ 11,082
2861	2FTPX17Z71CA72506	01	Ford	F150	1/2 T Ext Cab P/U 4X2	\$ 19,396
2862	2FTPX17Z91CA72507	01	Ford	F150	1/2 T Ext Cab P/U 4X2	\$ 19,131
2863	2FTPX18Z71CA72505	01	Ford	F150	1/2 T Ext Cab P/U 4X4	\$ 20,868
2864	3B6KC26Z81M554830	01	Dodge	Ram 2500	3/4 T Ext Cab Pickup	\$ 13,302
2865	1FDSF35S41EC21748	01	Ford	F350	1 T S/Body 4X4	\$ 22,981
2866	1FTPF17M01KB25825	01	Ford	F150	1/2 T Ext Cab P/U4X2	\$ 15,702
2874	1FTSE34M81HB33729	01	Ford	E350	Cargo Van 4X2	\$ 21,796
2876	1GCGG25R811231673	01	Chev	G31405	1 T Cargo Van 4X2	\$ 23,418
2877	1GCGG25R511232568	01	Chev	G31405	1 T Cargo Van 4X2	\$ 22,170
2878	1GCGG25R411231895	01	Chev	G31405	1 T Cargo Van 4X2	\$ 22,293
2879	1GCGG25R411233923	01	Chev	G31405	1 T Cargo Van 4X2	\$ 24,014
2881	1GCGG25R311233251	01	Chev	G31405	1 T Cargo Van 4X2	\$ 18,961
2882	1GCGG25RX11232890	01	Chev	G31405	1 T Cargo Van 4X2	\$ 19,096
2883	3B7KF26Z91M555472	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4x4	\$ 17,325
2884	1GCGG25R111233779	01	Chev	G31405	1 T Cargo Van 4X2	\$ 23,660
2886	1GCGG25R211195768	01	Chev	G31405	1 T Cargo Van 4X2	\$ 20,493
2887	1GCHG35R111193049	01	Chev	G31405	1 T Cargo Van 4X2	\$ 32,181
2888	1GCGG25R911196142	01	Chev	G31405	1 T Cargo Van 4X2	\$ 24,541
2889	1GCGG25R811196424	01	Chev	G31405	1 T Cargo Van 4X2	\$ 25,690
2890	1GCHG39R011196387	01	Chev	G31405	1 T Cargo Van 4X2	\$ 26,551
2894	1FDXE45S91HB11131	01	Ford	E450	Cutaway C&C w/Van Body	\$ 31,190
2896	1GCHG35R811194036	01	Chev	G31405	1 T Cargo Van 4X2	\$ 25,715
2910	3G1JC52471S202460	01	Chev	Cavalier	Compact Sedan Bi-Fuel	\$ 11,159
2913	1B7HF13YX1J584993	01	Dodge	Ram 1500	1/2 T Ext Cab P/U 4X4	\$ 14,172
2915	3B7KF26Z01M555473	01	Dodge	Ram 2500	3/4 T Reg Cab P/U 4X4	\$ 16,107
2918	1FTSF31S51EC21753	01	Ford	F350	1 T P/U 4X4	\$ 16,151

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
2920	1FDSF35S41EC21751	01	Ford	F350	1 T S/Body 4X4	\$ 22,248
2921	1FDSF35S61EC21752	01	Ford	F350	1 T S/Body 4X4	\$ 22,193
2922	1FDWF37S01EC21048	01	Ford	F350	1 T S/Body 4X4	\$ 23,919
2923	1GBHC24U41E266830	01	Chev	C25903	1 T S/Body 4X2	\$ 19,221
2943	1B4GP25R91B169255	01	Dodge	Caravan	Compact Van	\$ 10,982
2944	1B4GP25R71B178777	01	Dodge	Caravan	Compact Van	\$ 11,174
2945	1B4GP25R01B169256	01	Dodge	Caravan	Compact Van	\$ 11,199
2946	1B4GP25R21B169257	01	Dodge	Caravan	Compact Van	\$ 11,050
2947	1B4GP25R41B169258	01	Dodge	Caravan	Compact Van	\$ 11,063
2949	1B4GP25R21B169260	01	Dodge	Caravan	Compact Van	\$ 11,063
2951	1B4GP44R61B187323	01	Dodge	Caravan	Compact Van	\$ 14,241
2952	1B4GP44R81B187324	01	Dodge	Caravan	Compact Van	\$ 13,104
2953	1B4GP44RX1B187325	01	Dodge	Caravan	Compact Van	\$ 14,674
2954	1B4GP25R61B169262	01	Dodge	Caravan	Compact Van	\$ 11,307
2955	1B4GP25R81B169263	01	Dodge	Caravan	Compact Van	\$ 11,209
2956	1B4GP25RX1B169264	01	Dodge	Caravan	Compact Van	\$ 11,124
2957	1B4GP44R11B187326	01	Dodge	Caravan	Compact Van	\$ 14,475
2958	1B4GP44R31B187327	01	Dodge	Caravan	Compact Van	\$ 13,752
2959	1B4GP44R51B187328	01	Dodge	Caravan	Compact Van	\$ 12,985
2961	1B4GP25R21B190917	01	Dodge	Caravan	Compact Van	\$ 12,897
2962	1B4GP25R41B190918	01	Dodge	Caravan	Compact Van	\$ 12,695
2963	1B4GP25R61B190919	01	Dodge	Caravan	Compact Van	\$ 14,660
2964	1B4GP25R21B190920	01	Dodge	Caravan	Compact Van	\$ 14,534
2965	1B4GP25R41B190921	01	Dodge	Caravan	Compact Van	\$ 11,553
2966	1B4GP44R21B254662	01	Dodge	Caravan	Compact Van	\$ 13,904
2967	1GCHG39R411232033	01	Chev	C31705	1 T Cargo Van Bi-Fuel	\$ 24,044
2968	1B7HC16X11S248302	01	Dodge	Ram 1500	1/2 T 4X2 Pickup	\$ 10,395
2969	2FTPX17Z01CA72508	01	Ford	F150	1/2 T Ext Cab P/U 4X2	\$ 18,478
2973	1B7KF23Z41J578644	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4X4	\$ 16,142
2974	1B7KF23Z61J578645	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4X4	\$ 15,705
2976	1B7KF23ZX1J578647	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4X4	\$ 15,428
3009	2B4FP2530TR767634	96	Dodge	Caravan	Compact Van	\$ (2,484)
3057	1GCGC24K0RE230666	94	Chev	C2500	3/4 T Conv Cab Pickup 4x2	\$ 7,848
3128	1FDNF60JXMVA33849	91	Ford	F600	Hvy Util 4x2 w/wldr or comp	\$ 3,233
3129	1FDNF60J6MVA34142	91	Ford	F600	Hvy Util 4x2 w/wldr or comp	\$ 3,009
3130	1FDNF60JXMVA32474	91	Ford	F600	Hvy Util 4x2 w/wldr or comp	\$ 68
3132	1FDNF60J5NVA24414	92	Ford	F600	Hvy Util 4x2 w/wldr or comp	\$ (34,481)
3135	1FDMF60J0NVA29645	92	Ford	F600	Hvy Util 4x2 w/wldr or comp	\$ (34,942)
3145	1FDLF47F8SEA47162	95	Ford	F450	Light Duty Dump Truck	\$ 8,977
3146	1FV3EFBC7WH899981	98	Freightliner	FL50	Hvy Util 4x2 w/wldr or comp	\$ 12,330
3147	1FV3EFBC9WH899982	98	Freightliner	FL50	Hvy Util 4x2 w/wldr or comp	\$ 4,778
3148	1FV3EFBC0WH899983	98	Freightliner	FL50	Hvy Util 4x2 w/wldr or comp	\$ 4,563
3149	1FV3EFBC5WH899980	98	Freightliner	FL50	Hvy Util 4x2 w/wldr or comp	\$ 4,480
3151	1FDLF47F5VEB60507	97	Ford	F450	Med Utility 4x2 w/crane& comp	\$ 3,021
3196	2FUYPDSEB1NV399740	92	Freightliner	FLD 120	Tractor	\$ -
3197	1HTSDN4N3NH399787	92	International	4900	Medium Flatdeck w/crane	\$ (29,357)
3199	1HSHCBBR9RH567914	94	Int'l	8100	Tractor w/crane	\$ (16,540)
3200	1HSSCAAN9SH622155	95	Int'l	4700	Tractor	\$ (8,606)
3201	1FVX8HCB9TL706197	96	Freightliner	FL106	Heavy F/deck w/crane	\$ 16,531
3202	1FV3EFAC1VH840859	97	Freightliner	FL50	Tractor	\$ 12,361
4012	1B7KF23Z11J608764	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4X4	\$ 16,816
4015	1B4GP25R31B232043	01	Dodge	Caravan	Compact Van	\$ 11,712
4036	4VHJCJFE8VR857578	97	Volvo	DUMP BOX	TANDEM CAB & CHASSIS	\$ 44,849
4049	1B7KF23Z51J538962	01	Dodge	Ram 2500	3/4 T Ext Cab P/U 4X4	\$ 18,883
4073	1FVABXBV22HK25349	02	Freightliner	FL80	S/Body	\$ 115,422
4074	1FVABXBV62HK25371	02	Freightliner	FL80	Paving Truck	\$ 74,768
4117	1HTWPA DT23J048553	03	Int'l	7500	F/deck w/folding crane	\$ 75,838
4284	2B7HB11Y52K137184	02	Dodge	1500	1/2 T Cargo Van 4X2 Short	\$ 15,524
4285	2B7KB31Z12K137192	02	Dodge	3500	1 T Cargo Van 4X2	\$ 22,071
4286	2B7KB31Z72K137195	02	Dodge	3500	1 T Cargo Van 4X2	\$ 22,683
4287	2B7KB31Z32K137193	02	Dodge	3500	1 T Cargo Van 4X2	\$ 22,080
4288	2B7KB31Z52K137194	02	Dodge	3500	1 T Cargo Van 4X2	\$ 21,064
4289	1GCHG35R521245462	02	Chev	1 T	1 T Cargo Van 4X2	\$ 31,023
4290	2FTRX18L02CA99650	02	Ford	F150	1/2 T Ext Cab P/U 4X4	\$ 19,900
4381	1GCHK24U12E278837	02	Chev	K25903	1 T Pickup 4X4 LGBX	\$ 19,871

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
4382	1GCHK24U72E278728	02	Chev	K25903	1 T P/U 4X4	\$ 24,242
4388	1FDSF35S93EA61403	03	Ford	F350	1 T S/Body 4X4	\$ 32,502
4389	1FTSE34S52HB80765	02	Ford	E350	Altec 28' Van	\$ 45,179
4411	1B4GP25R12B714673	02	Dodge	Caravan	Compact Van	\$ 13,035
4412	1B4GP25R32B714674	02	Dodge	Caravan	Compact Van	\$ 13,477
4418	1B4GP25R22B719994	02	Dodge	Caravan	Compact Van	\$ 13,071
4419	1B4GP25R42B719995	02	Dodge	Caravan	Compact Van	\$ 13,131
4420	1B4GP25R62B719996	02	Dodge	Caravan	Compact Van	\$ 13,035
4421	1B4GP25R82B719997	02	Dodge	Caravan	Compact Van	\$ 13,501
4423	1B4GP25R2B719998	02	Dodge	Caravan	Compact Van	\$ 13,021
4425	1FDSF34S73EA51311	03	Ford	F350	1 T S/Body 4X2	\$ 34,307
4426	1FDSF34S53EA61402	02	Ford	F250	1 T S/Body 4X2	\$ 29,752
4427	1B4GP25R12B727259	02	Dodge	Caravan	Compact Van	\$ 14,108
4433	1GCHG35U431100354	03	Chev	Van	1 T Cargo Van 4X2	\$ 35,534
4434	1FDXF47S33EA61406	03	Ford	F450	1 T Super Duty S/Body 4X4	\$ 32,436
4435	1FTSF31S13EB69279	03	Ford	F350	1 T P/U 4X4 w/camperette	\$ 34,576
4437	1GNDM19X92B138775	02	Chev	Astro	Compact Van	\$ 19,403
4438	1GNDM19X93B109875	03	Chev	Astro	Compact Van	\$ 19,113
4479	1GCHG35U031153746	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,389
4502	1HTWDAAR93J078618	03	Int'l	7400	F/deck 4x2	\$ 84,248
4506	1FDXW47S83ED69414	03	Ford	F450	S/Body Crew Cab 4x4	\$ 46,959
4507	1GCHG35UX31211569	03	Chev	CG33405	1 T Cargo Van 4X2	\$ 25,977
4508	1GCHG35U031207188	03	Chev	CG33405	1 T Cargo Van 4X2	\$ 26,590
4509	1GCHG35UX31213029	03	Chev	CG33405	1 T Cargo Van 4X2	\$ 26,697
4512	1D4GP25R23B247089	03	Dodge	Caravan	Compact Van	\$ 14,705
4513	1D4GP25R93B247090	03	Dodge	Caravan	Compact Van	\$ 15,004
4569	1GCHG35U531213228	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,357
4570	1GCHG35U231210903	03	Chev	Cargo	Window Van	\$ 26,522
4571	1GCHG35U331212692	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,563
4572	1GCHG35U131213484	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,694
4573	1GCHG35U431213088	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 29,084
4574	1D7HB11Y73K515870	03	Dodge	Ram 1500	1/2 T Cargo Van 4X2	\$ 19,504
4575	2D7HB11Y93K515871	03	Dodge	Ram 1500	1/2 T Cargo Van 4X2	\$ 19,885
4576	1FTNX21S43ED32611	03	Ford	F250	3/4 T Ext Cab Short Box P/U 4X4	\$ 27,204
4577	1FTNX21S63ED32612	03	Ford	F250	3/4 T Ext Cab P/U 4X4	\$ 27,424
4578	1D7HU18D13J639187	03	Dodge	Ram	1/2 T Ext Cab S/Box P/U 4X4	\$ 23,840
4579	1D7HU18D83J637341	03	Dodge	1/2 T	1/2 T Ext Cab P/U 4X4 S/B	\$ 20,939
4580	3D7KU26D43G811986	03	Dodge	Ram 2500	3/4 T Reg Cab P/U 4X4	\$ 22,436
4581	3D7KU26D53G850246	03	Dodge	Ram 2500	3/4 T Reg Cab P/U 4X4	\$ 20,868
4582	3D7KU26D13G798307	03	Dodge	Ram 2500	3/4 T Reg Cab P/U 4X4	\$ 19,072
4597	1FDXX47S13ED32623	03	Ford	F450	1 T S/Body 4X4	\$ 42,259
4607	1FDXX47S93ED69421	03	Ford	F450	1 T S/Body 4X4	\$ 33,928
4622	1FDXX47S33ED32624	03	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 42,988
4636	1GCHK24U33E311693	03	Chev	Chevrolet	1 T P/U 4X4	\$ 36,786
4647	1D4GP25R93B254475	03	Dodge	Caravan	Compact Van	\$ 14,366
4648	1D4GP25R53B254473	03	Dodge	Caravan	Compact Van	\$ 17,202
4651	1D4GP25R73B254474	03	Dodge	Caravan	Compact Van	\$ 18,519
4671	1FDXF46P63ED32617	03	Ford	F450	S/Body 4X2	\$ 66,522
4673	1FDXF46P83ED32618	03	Ford	F450	S/Body 4X2	\$ 66,029
4674	1FDSF35S13ED69424	03	Ford	F350	1 T Reg Cab S/Body 4X4	\$ 34,874
4676	3D7KU26D83G813689	03	Dodge	Ram 2500	1/2 T P/U 4X4	\$ 25,521
4679	1GCHG35UX31214357	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,995
4680	1GCHG35U131214599	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,693
4681	1GCHG35U231215888	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,807
4682	1GCHG35U131217194	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 26,624
4683	1GCHG35U331213549	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 29,245
4684	1GCHG35U031217915	03	Chev	Cargo	1 T Cargo Van 4X2 Window	\$ 29,114
4686	1GCHG35U031215033	03	Chev	Cargo	1 T Cargo Van 4X2 Window	\$ 28,531
4687	1GCHG35U331230545	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 39,034
4688	1GCHG35U631215425	03	Chev	Cargo	1 T Cargo Van 4X2	\$ 28,656
4718	1FDXE45S43HB63592	03	Ford	Cutaway	Cutaway Van	\$ 48,469
4723	1GCHG35U331224664	03	Chev	CG33405	1 T Cargo Van 4X2	\$ 25,658
4724	1GCHG35U631230345	03	Chev	CG33405	1 T Cargo Van 4X2	\$ 39,434
4738	2D7HB11Y33K524825	03	Dodge	Ram 1500	1/2 T Cargo Van 4X2	\$ 19,957
4936	1GCHG35U341202004	04	Chev	CG33405	1 T Cargo Van	\$ 29,282

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
4937	1GCHG35UX41219785	04	Chev	CG33405	1 T Cargo Van	\$ 28,833
4938	1GCHG35U641214647	04	Chev	CG33405	1 T Cargo Van	\$ 29,136
4939	1GCHG35U841218182	04	Chev	CG33405	1 T Cargo Van	\$ 28,604
4940	1GCHG35U641213255	04	Chev	CG33405	1 T Cargo Van	\$ 29,017
4941	1GCHG35U641203910	04	Chev	CG33405	1 T Cargo Van	\$ 28,387
4942	1GCHG35U841201608	04	Chev	CG33405	1 T Cargo Van	\$ 28,231
4943	1GCHG35U741201034	04	Chev	CG33405	1 T Cargo Van	\$ 27,650
4972	1GCHG35UX41201142	04	Chev	CG33405	1 T Cargo Van	\$ 25,054
4973	1GCFG25T841201651	04	Chev	CG22405	1/2 T Cargo Van	\$ 22,013
4974	1GCFG25T941203781	04	Chev	CG22405	1/2 T Cargo Van	\$ 22,013
5017	1D4GP25R45B137518	05	Dodge	Caravan	Compact Van	\$ 19,528
5018	1GCHG35U741203916	04	Chev	CG33405	1 T Cargo Van	\$ 29,211
5019	1GCHG35U841219865	04	Chev	CG33405	1 T Cargo Van	\$ 24,104
5020	2GCEK19V451104961	05	Chev	1/2 T	1/2 T Ext Cab S/Box P/U	\$ 25,732
5022	1GCHK24U24E327837	04	Chev	CK25903	3/4 T P/U 4x4 8'	\$ 26,930
5023	1GCHK24U84E330077	04	Chev	CK25903	1 T P/U 4x4	\$ 25,937
5024	1GCHK24U84E330919	04	Chev	1 T	1 T 4x4 LG BX	\$ 40,372
5025	1GCHK24U24E332035	04	Chev	CK25903	1 T P/U 4x4 8'	\$ 40,334
5026	1FDSF34SX4ED42998	04	Ford	F350	1 T Reg Cab S/Body 4X2	\$ 47,866
5027	1FDSF34S14ED42999	04	Ford	F350	1 T Reg Cab S/Body 4X2	\$ 44,373
5028	1FDSF34S24ED43000	04	Ford	F350	1 T S/Body 4X4	\$ 47,888
5029	1FDXX47S94ED43001	04	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 60,650
5030	1FDSF35SX4ED42997	04	Ford	F350	1 T S/Body 4X4	\$ 43,826
5031	1GCHK24U44E330710	04	Chev	CK25903	1 T P/U 4X4	\$ 25,452
5033	1FTNX21L04EC93087	04	Ford	F250	3/4 T Ext Cab P/U 4x4	\$ 27,940
5034	1FDXX47PX4EC93088	04	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 63,015
5035	1FDXX47P44EC77162	04	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 64,060
5036	1FDXX47P64EC77163	04	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 40,933
5037	1FDXX47P84EC77164	04	Ford	F450	1 T Ext Cab Service Body 4X4	\$ 66,197
5061	1GCHK24U04E329425	04	Chev	CK25903	1 T P/U 4X4	\$ 40,490
5062	1GCHK24U74E331852	04	Chev	1 T	1 T P/U 4x4	\$ 40,256
5080	1J4GL48K03W701586	'03	Jeep	Liberty	Hardtop 4X4	\$ 22,265
5081	1D4GP25R55B179048	05	Dodge	Caravan	Compact Van	\$ 17,200
5082	1D4GP24R55B179049	05	Dodge	Caravan	Compact Van	\$ 17,200
5083	1GCEC19X44Z343835	04	Chev	1/2 T	1/2 T Ext Cab S/Box P/U 4X2	\$ 21,509
5084	1GCHG35U741244823	04	Chev	CG33405	1 T Cargo Van	\$ 28,229
5085	1GCHG39U441236608	04	Chev	CG33705	1 T Cargo Van	\$ 34,552
5086	1FDSX35S24ED62075	04	Ford	F350	1 T Ext Cab Service Body 4X4	\$ 49,449
5087	1GCHK24U84E370210	04	Chev	1 T	1 T P/U 4X4	\$ 41,700
5088	1GCHK24U74E368304	04	Chev	CK25903	1 T P/U 4X4	\$ 26,243
5091	1FDXX47P04ED62077	04	Ford	F450	1 T Spr Cab S/Body 4X4	\$ 67,100
5092	1FDSF35S04ED80013	04	Ford	F350	1 T Reg Cab S/Body 4X4	\$ 45,064
5232	1GCDM19X05B122154	05	Chev	Astro	1 T Van	\$ 29,655
5233	1GCDM19X05B122252	05	Chev	Astro	Compact Van	\$ 24,090
5368	1GCDM19X75B122328	05	Chev	Astro	Compact Van	\$ 28,040
7472	1GDE6T1B9LV515846	90	GMC	P6T042	Walkin w/comp 14' Sullair	\$ (15,344)
7475	1GDE6T1B2LV515848	90	GMC	P6T042	Walkin w/comp 14'	\$ (14,258)
7483	1GDKP32K6L3502305	90	GMC	P31442	Walkin w/comp 14'	\$ (11,600)
7819	1GDL7H1M8MJ522766	91	GMC	TCH042	DUMP 7YD	\$ (8,115)
7888	2FDJF37H3NCA17757	92	Ford	F350	F/deck w/Welder	\$ (3,015)
8147	1GDKP32K6N3500959	92	GMC	P31442	Walkin w/comp 14'	\$ 78
8148	1GDKP32K6N3500962	92	GMC	P31442	Walkin w/comp 14'	\$ 88
8291	1GDJ7H1M1NJ525145	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (4,504)
8292	1GDJ7H1M5NJ525357	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (3,459)
8293	1GDJ7H1MXNJ525032	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (2,437)
8294	1GDJ7H1M3NJ525258	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (4,583)
8295	1GDJ7H1M7NJ525196	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (4,226)
8296	1GDJ7H1M0NJ525265	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (6,067)
8297	1GDJ7H1M2NJ525199	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (3,532)
8298	1GDJ7H1M3NJ525079	92	GMC	C7H042	Crew Truck w/comp Sullair 125	\$ (4,159)
8307	1GDKP32K5N3500807	92	GMC	P30	Walkin w/comp 14' Sullair	\$ (4,900)
8597	1HTSDAARXRH577426	94	International	4900	F/deck w/ Crane	\$ 3,071
8598	1GDKP32K5R3500098	94	GMC	TP31442	Walkin w/comp 14' Sullair	\$ 8,019
8599	1GDKP32K4R3500089	94	GMC	TP31442	Walkin w/comp 14' Sullair	\$ 6,735
8600	1GDKP32K3R3500083	94	GMC	TP31442	Walkin w/comp 14' Sullair	\$ 6,806

Schedule A (Listing of units)

<u>Unit #</u>	<u>VIN #</u>	<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>NBV Payout</u>
8601	1GDG6S1M0RJ514783	94	GMC	TP6S042	Walkin w/comp 16'	\$ 12,765
8602	1GDG6S1M9RJ514586	94	GMC	P60	Walkin w/comp 16'	\$ 12,582
8603	1GDJ7H1M2RJ504388	94	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 3,421
8604	1GDJ7H1M4RJ504506	94	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 3,390
8605	1GDJ7H1M7RJ504368	94	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 4,003
8606	1GDJ7H1M4RJ504750	94	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 3,623
8607	1GDJ7H1M7RJ504810	94	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 4,503
8608	1FDYH81E5RVA38260	94	Ford	CF8000	Dump Truck 8YD	\$ 2,958
8889	1GBHC24K1RE260046	94	Chev	CC31003	F/deck w/Welder 1386	\$ 2,206
8918	1GDKP32K2R3501970	94	GMC	P31442	14' Alum Van Body	\$ 13,714
8919	1GDKP32K0R3501952	94	GMC	P31442	14' Alum Van Body	\$ 11,113
8920	1GDKP32K3R3501928	94	GMC	P31442	Walkin w/comp 14' Sullair	\$ 11,556
8921	1GDKP32K7R3501947	94	GMC	P31442	Walkin w/comp 14' Sullair	\$ 12,550
8922	1GDJ7H1M8SJ502375	95	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 8,267
8923	1GDJ7H1M1SJ502654	95	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 8,375
8924	1GDJ7H1MXSJ502345	95	GMC	TC7H042	Crew Truck w/comp Sullair 125	\$ 8,492
8925	1GDKP32K0R3501949	94	GMC	TP31442	Walkin wo/comp 14'	\$ 7,917
8926	1GDKP32K2R3502066	94	GMC	TP31442	Walkin wo/comp 14'	\$ 7,927
8927	1GDKP32K5R3502062	94	GMC	P31442	Walkin wo/comp 14'	\$ 10,717
8929	1GDKP32K7R3502080	94	GMC	TP31442	Walkin wo/comp 14'	\$ 8,550
9133	1FVXJLBB2SL726895	95	Freightliner	FL80	F/deck 18FT HIAB 160-3 NEW ODOMETER	\$ 18,606
9163	2FDJF37G6SCA50268	95	Ford	F350	F/deck Duals Welder 1437	\$ 3,716
9173	1GBKC34F2SJ113692	95	Chev	C31003	F/deck w/Crane	\$ 7,309
9191	1GDKP32K4S3501653	95	GMC	P31442	Walkin w/comp 14' Sullair	\$ 16,924
9192	1GDKP32K9S3502197	95	GMC	P31442	Walkin w/comp 14' Sullair	\$ 18,296
9193	1GDKP32K5S3504173	95	GMC	P31442	Walkin w/comp 14' Sullair	\$ 19,360
9194	1FV6JLBB6TL785025	96	Freightliner	FL80	F/deck 16FT HIAB 125-3 DSL NEW ODOMETER	\$ 17,509
9315	2B7KB31T4TK121551	96	Dodge	B3500	1 T Cargo Van 4x2	\$ (756)
9379	1FVXJLBB5WH932043	98	Freightliner	FL80	F/deck 32FT HIAB 175-3 TNDM	\$ 45,894
9391	2B4FP2530VR331921	97	Dodge	Caravan	RR ST CNG	\$ 1,982
9397	1GCDM19W8VB196333	97	Chev	Astro	Compact Cargo Van	\$ 2,309
9451	2B7KB31Z5VK575170	97	Dodge	B3500	RAM VAN 127 SL DR BIN CNG	\$ 5,649
9453	2B7KB31Z9VK575172	97	Dodge	B3500	RAM VAN 127 SL DR BIN CNG	\$ 5,698
9932	1FMZU34X1WZB28526	98	Ford	Explorer	1/2 T PU/SUV 4x4 Hrd top rf rack	\$ 7,774
9933	2B7KB31Z9WK131100	98	Dodge	B3500	VAN CNG BIN FG ROOF	\$ 9,898
9976	2B7HB11Y7WK143638	98	Dodge	B1500	VAN BIN CNG	\$ 7,128
9977	2B7HB11Y9WK143639	98	Dodge	B1500	VAN BIN CNG	\$ 7,552
9978	2B7HB11Y5WK143640	98	Dodge	B1500	VAN SL107 BIN CNG	\$ 7,634
L001	2CUL2TE9512008675	01	Trailtech	Flatdeck	Trailer	\$ 3,742
L355	2CUL2TE96Y2006850	00	Trailtech	CEL260	Trailer - tandem 14'	\$ 3,622
L359	2CUL2TE9XY2006852	00	Trailtech	CEL260	Trailer - tandem 14'	\$ 3,622
L386	2G9FTE72XY1031736	00	G&M	AXLE	Trailer - flatdeck	\$ 5,248
L390	2G9FTE721Y1031737	00	Tandem	Flatdeck	Trailer	\$ 5,033
L501	2G9FTE52421031872	02	G&M	Flatdeck	Trailer - Mini Exc	\$ 6,591
L502	1LHL20FB831012684	03	Landoll	Flatdeck	Trailer	\$ 658
L508	2G9FTE52121031893	02	G&M	Flatdeck	Trailer - Paving Compactor	\$ 8,602
L572	2CU123JA022010567	02	Trailtech	L260	Trailer	\$ 5,619
L581	2CU123JA422011866	02	Trailtech	Flatdeck	Trailer	\$ 6,445
7029	5076	92	Venco	Crane	Mounted Equipment	
7035	106836	84	HIAB	650AW	Crane	\$ -
7009	49985	81	Sullair	Compressor	Mounted Equipment	
7057	U106990392	92	Sullivan	Compressor	Mounted Equipment	\$ -
7059		92	Lincoln	350CDN	Welder	\$ -
7015	250223	85	Lincoln	SA200	Welder 125 CFM	
7064		93	Lincoln	250 G9 Pro	Welder	
7060		92	Lincoln	350CDN	Welder	\$ -
7074	HOB SP7118A-002	96	Hobart	Champ Comb	Welder	
7051		91	Sullivan	Compressor	Mounted Equipment	
Total 448 units						\$ 8,609,271

APPENDIX 5.4.1

BLB - INVENTORY LOAD for BUY LEASE BACK

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	1039	516712072	November 1, 2005	November 1, 2005		\$ 20,402.47
4798	1040	516712086	November 1, 2005	November 1, 2005		20,402.47
4798	1051	63922	November 1, 2005	November 1, 2005		18,022.35
4798	1054	WE000875	November 1, 2005	November 1, 2005		34,795.62
4798	1111	965	November 1, 2005	November 1, 2005		100.00
4798	1130	T0410GX903907	November 1, 2005	November 1, 2005		64,392.63
4798	1138	FF050ZX240617	November 1, 2005	November 1, 2005		60,956.52
4798	1271	4FVCABAA73U333034	November 1, 2005	November 1, 2005		16,773.09
4798	1274	514451911	November 1, 2005	November 1, 2005		36,869.34
4798	1275	FF035CX231072	November 1, 2005	November 1, 2005		42,945.61
4798	1277	232412781	November 1, 2005	November 1, 2005		32,574.64
4798	1296	T0310SG935928	November 1, 2005	November 1, 2005		80,460.59
4798	1297	GB00106	November 1, 2005	November 1, 2005		37,742.76
4798	1300	177846	November 1, 2005	November 1, 2005		25,274.56
4798	1386	300390CODE9833	November 1, 2005	November 1, 2005		100.00
4798	1387	292441CODEW384-2	November 1, 2005	November 1, 2005		100.00
4798	1394	CC1000577	November 1, 2005	November 1, 2005		100.00
4798	1395	C1000579	November 1, 2005	November 1, 2005		100.00
4798	1417	308901	November 1, 2005	November 1, 2005		100.00
4798	1418	308894	November 1, 2005	November 1, 2005		100.00
4798	1433	11765	November 1, 2005	November 1, 2005		100.00
4798	1437	C1941100515	November 1, 2005	November 1, 2005		100.00
4798	1438	C1941100516	November 1, 2005	November 1, 2005		100.00
4798	1441	12055	November 1, 2005	November 1, 2005		100.00
4798	1447	10952085	November 1, 2005	November 1, 2005		1,401.45
4798	1453	EASI-93-AEO9022	November 1, 2005	November 1, 2005		1,998.00
4798	1457	60566	November 1, 2005	November 1, 2005		3,517.17
4798	1487	SLP411OOXE0527616	November 1, 2005	November 1, 2005		44,286.89
4798	1489	T0310SE884306	November 1, 2005	November 1, 2005		36,485.11
4798	1490	T0310SE884327	November 1, 2005	November 1, 2005		36,485.11
4798	1491	T0310SE884339	November 1, 2005	November 1, 2005		36,804.21
4798	1492	WE000542	November 1, 2005	November 1, 2005		29,106.80
4798	1494	WE000544	November 1, 2005	November 1, 2005		28,585.20
4798	1495	WE000541	November 1, 2005	November 1, 2005		25,822.24
4798	1496	SA-00-01044	November 1, 2005	November 1, 2005		50,660.79
4798	1497	EASI00AJ25074	November 1, 2005	November 1, 2005		20,966.03
4798	1498	1VRM112L9Y1001763	November 1, 2005	November 1, 2005		15,820.15
4798	1501	649232	November 1, 2005	November 1, 2005		2,670.32
4798	1502	8PB03578	November 1, 2005	November 1, 2005		40,740.82
4798	1503	3EC1844	November 1, 2005	November 1, 2005		4,373.80
4798	1504	2NC00967	November 1, 2005	November 1, 2005		4,983.20
4798	1509	D3T2399Z	November 1, 2005	November 1, 2005		4,086.23
4798	1512	2NC00946	November 1, 2005	November 1, 2005		6,448.41
4798	1516	20110	November 1, 2005	November 1, 2005		14,015.26
4798	1517	4L0256	November 1, 2005	November 1, 2005		12,744.48
4798	1518	N546346	November 1, 2005	November 1, 2005		10,118.35
4798	1519	31E1494	November 1, 2005	November 1, 2005		8,749.61
4798	1522	020D-91-33693	November 1, 2005	November 1, 2005		8,311.23
4798	1523	031E-85-9796	November 1, 2005	November 1, 2005		8,693.75
4798	1527	5BC00701	November 1, 2005	November 1, 2005		7,438.08

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	1529	T0310EX838801	November 1, 2005	November 1, 2005		30,285.21
4798	1531	006	November 1, 2005	November 1, 2005		24,804.00
4798	1534	291116	November 1, 2005	November 1, 2005		2,755.89
4798	1535	LD22778V7201729	November 1, 2005	November 1, 2005		4,134.00
4798	1537	979692	November 1, 2005	November 1, 2005		4,731.33
4798	1538	200844	November 1, 2005	November 1, 2005		5,079.59
4798	1539	3270X89	November 1, 2005	November 1, 2005		3,459.17
4798	1540	004122688	November 1, 2005	November 1, 2005		8,858.64
4798	1543	T0310EX841299	November 1, 2005	November 1, 2005		30,172.93
4798	2031	1FDXE47F9WHB38496	November 1, 2005	November 1, 2005		100.00
4798	2112	1FV6HFBFA8XHB61050	November 1, 2005	November 1, 2005		28,657.18
4798	2135	1FTVE24M4WHA91980	November 1, 2005	November 1, 2005		333.04
4798	2140	1FV3GFAC3XHA18581	November 1, 2005	November 1, 2005		41,169.45
4798	2142	1GBKC34F8YF409862	November 1, 2005	November 1, 2005		8,978.48
4798	2143	1GBKC34F2YF410554	November 1, 2005	November 1, 2005		8,924.27
4798	2203	2FTPX27L3XCA75834	November 1, 2005	November 1, 2005		5,573.06
4798	2216	3B7HF12Z2XG202623	November 1, 2005	November 1, 2005		3,714.32
4798	2229	1FTRF17Z2XKC03745	November 1, 2005	November 1, 2005		5,724.88
4798	2230	1FTRF27Z2XKC03749	November 1, 2005	November 1, 2005		4,694.81
4798	2235	1FTPX27Z9XKC03736	November 1, 2005	November 1, 2005		6,035.55
4798	2238	1FTPX2724XKC03739	November 1, 2005	November 1, 2005		4,517.73
4798	2239	1FTVE24M3XHB60630	November 1, 2005	November 1, 2005		5,767.76
4798	2277	1FV3GFBA3YHF63100	November 1, 2005	November 1, 2005		62,827.55
4798	2278	1FV3GFBA5YHF63101	November 1, 2005	November 1, 2005		61,190.10
4798	2279	1FDAF56F0XEE33063	November 1, 2005	November 1, 2005		16,523.94
4798	2296	1FTSE34M 7XHB65905	November 1, 2005	November 1, 2005		3,987.69
4798	2320	2FTPX17Z5YCA35545	November 1, 2005	November 1, 2005		7,182.31
4798	2323	1FTSS34M3XHC03008	November 1, 2005	November 1, 2005		11,614.11
4798	2324	1FTSS34M5XHC03009	November 1, 2005	November 1, 2005		11,585.92
4798	2325	1FTSS34M1XHC03010	November 1, 2005	November 1, 2005		11,179.73
4798	2326	1FTSS34M3XHC03011	November 1, 2005	November 1, 2005		11,501.74
4798	2327	1FTSS34M5XHC03012	November 1, 2005	November 1, 2005		100.00
4798	2328	1FTSS34Z1XHC24743	November 1, 2005	November 1, 2005		10,856.57
4798	2329	1FTSS34Z3XHC24744	November 1, 2005	November 1, 2005		10,915.76
4798	2330	1FTSS34Z5XHC24745	November 1, 2005	November 1, 2005		10,939.24
4798	2332	1FTSS34Z9XHC24747	November 1, 2005	November 1, 2005		11,280.94
4798	2333	1FTSS34Z0XHC24748	November 1, 2005	November 1, 2005		11,048.15
4798	2334	1FTSS34Z2XHC24749	November 1, 2005	November 1, 2005		13,495.50
4798	2335	1FTSS34Z9XHC24750	November 1, 2005	November 1, 2005		10,853.55
4798	2336	1FTSS34Z0XHC24751	November 1, 2005	November 1, 2005		9,932.13
4798	2337	1FTSS34Z2XHC24752	November 1, 2005	November 1, 2005		11,486.68
4798	2338	1FTSS34Z4XHC24753	November 1, 2005	November 1, 2005		11,418.37
4798	2339	1FTSS34Z6XHC24754	November 1, 2005	November 1, 2005		11,227.75
4798	2340	1FTSS34Z8XHC24755	November 1, 2005	November 1, 2005		11,358.18
4798	2341	1FTSS34ZXXHC24756	November 1, 2005	November 1, 2005		11,414.75
4798	2342	1FTSS34Z1XHC24757	November 1, 2005	November 1, 2005		11,722.65
4798	2343	1FTSS34Z3XHC24758	November 1, 2005	November 1, 2005		11,580.69
4798	2344	1FTSS34Z5XHC24759	November 1, 2005	November 1, 2005		11,477.66
4798	2345	1FTSE34M8XHC03013	November 1, 2005	November 1, 2005		6,821.49
4798	2347	1FTSE34Z2XHC24760	November 1, 2005	November 1, 2005		7,994.81
4798	2348	1FTSE34Z4XHC24761	November 1, 2005	November 1, 2005		6,210.56
4798	2350	1FTSE34Z8XHC24763	November 1, 2005	November 1, 2005		8,197.18

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	2351	1FTSE34ZXXHC24764	November 1, 2005	November 1, 2005		8,640.41
4798	2352	1GBHC34R2XF081941	November 1, 2005	November 1, 2005		2,756.05
4798	2353	1GBHC34R5XF083344	November 1, 2005	November 1, 2005		2,766.58
4798	2354	1GBHC34R3XF082242	November 1, 2005	November 1, 2005		2,768.13
4798	2355	1GBHC34R5XF082176	November 1, 2005	November 1, 2005		3,066.96
4798	2356	1GBHC34R9XF083623	November 1, 2005	November 1, 2005		3,056.92
4798	2409	1FTSE34M1XHC03015	November 1, 2005	November 1, 2005		5,188.97
4798	2416	1FTSS34M2XHC03016	November 1, 2005	November 1, 2005		10,989.85
4798	2472	1FTVE24M7YHA97503	November 1, 2005	November 1, 2005		10,979.27
4798	2473	1FTVE24M9YHA97504	November 1, 2005	November 1, 2005		11,032.11
4798	2474	1FTVE24M0YHA97505	November 1, 2005	November 1, 2005		10,834.82
4798	2475	1FTVE24M2YHA97506	November 1, 2005	November 1, 2005		10,234.19
4798	2476	1FTVE24M4YHA97507	November 1, 2005	November 1, 2005		9,417.76
4798	2477	1FTVE24M6YHA97508	November 1, 2005	November 1, 2005		9,831.12
4798	2478	1FTVE24M8YHA97509	November 1, 2005	November 1, 2005		10,397.57
4798	2479	1FTSE34M3YHA97510	November 1, 2005	November 1, 2005		11,490.54
4798	2480	1FTSE34M5YHA97511	November 1, 2005	November 1, 2005		11,483.35
4798	2481	1FTSE34M7YHA97512	November 1, 2005	November 1, 2005		10,687.16
4798	2482	1FTSE34M7YHA97513	November 1, 2005	November 1, 2005		11,642.01
4798	2483	1FTSE34M0YHA97514	November 1, 2005	November 1, 2005		11,193.37
4798	2484	1FTSE34M2YHA97515	November 1, 2005	November 1, 2005		10,733.35
4798	2485	1FTSE34M4YHA97516	November 1, 2005	November 1, 2005		11,244.77
4798	2486	1FTSE34M8YHA93419	November 1, 2005	November 1, 2005		10,688.35
4798	2487	1FTSE34M4YHA93420	November 1, 2005	November 1, 2005		11,058.97
4798	2488	1FTSE34M6YHA03421	November 1, 2005	November 1, 2005		10,871.73
4798	2489	1FTSE34M8YHA93422	November 1, 2005	November 1, 2005		10,410.98
4798	2490	1FTSE34MXHYHA93423	November 1, 2005	November 1, 2005		10,689.11
4798	2491	1FTSE34M1YHA93424	November 1, 2005	November 1, 2005		11,325.67
4798	2492	1FTSS34M2YHA93425	November 1, 2005	November 1, 2005		10,758.25
4798	2493	1FTSE34L4YHA97040	November 1, 2005	November 1, 2005		10,957.31
4798	2503	2B4GP253XYR708022	November 1, 2005	November 1, 2005		4,992.32
4798	2508	2FTPFX17Z4YCA52596	November 1, 2005	November 1, 2005		6,095.13
4798	2509	2FTPFX17ZXYCA52597	November 1, 2005	November 1, 2005		8,941.61
4798	2510	2FTPFX17Z1YCA52598	November 1, 2005	November 1, 2005		9,455.19
4798	2511	2FTPFX17Z3YCA52599	November 1, 2005	November 1, 2005		8,546.02
4798	2512	2FTPFX17Z6YCA52600	November 1, 2005	November 1, 2005		8,625.07
4798	2513	2FTPFX17Z8YCA52601	November 1, 2005	November 1, 2005		9,389.96
4798	2516	2FTPFX17Z3YCA52604	November 1, 2005	November 1, 2005		8,639.19
4798	2517	2FTPFX17Z5YCA52605	November 1, 2005	November 1, 2005		9,367.40
4798	2518	2FTPFX18Z8YCA52595	November 1, 2005	November 1, 2005		5,341.00
4798	2519	3G1JC5240YS187018	November 1, 2005	November 1, 2005		4,406.68
4798	2520	3G1JC5245YS187516	November 1, 2005	November 1, 2005		4,404.11
4798	2522	3G1JC5247YS187212	November 1, 2005	November 1, 2005		4,479.40
4798	2523	1FTRF17Z4XKB95793	November 1, 2005	November 1, 2005		4,896.13
4798	2525	1GBGC34R7YF497707	November 1, 2005	November 1, 2005		12,391.33
4798	2526	1GBGC34RXZF495501	November 1, 2005	November 1, 2005		13,424.14
4798	2529	1GCHK34R9YR188242	November 1, 2005	November 1, 2005		7,007.88
4798	2530	1GCGK24R8YR189887	November 1, 2005	November 1, 2005		2,416.07
4798	2531	1GCHK34R7YR188661	November 1, 2005	November 1, 2005		11,019.50
4798	2533	1FDXE45F4YHB09297	November 1, 2005	November 1, 2005		8,389.17
4798	2546	1FTPFX17Z3YCA64137	November 1, 2005	November 1, 2005		8,892.40
4798	2547	1FTPFX17Z5YCA64138	November 1, 2005	November 1, 2005		8,350.83

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	2548	2B7KB31Z1YK168337	November 1, 2005	November 1, 2005		10,101.01
4798	2549	2B7KB31Z3YK168338	November 1, 2005	November 1, 2005		10,946.32
4798	2550	2B7KB31Z5YK168339	November 1, 2005	November 1, 2005		11,039.47
4798	2551	2B7KB31Z1YK168340	November 1, 2005	November 1, 2005		10,126.15
4798	2567	1FDXF46S3YED26463	November 1, 2005	November 1, 2005		13,828.03
4798	2573	2FTPX17Z6YCA90358	November 1, 2005	November 1, 2005		9,085.96
4798	2595	1HTSDAAL01H350164	November 1, 2005	November 1, 2005		79,703.50
4798	2596	1HTSDAAL21H350165	November 1, 2005	November 1, 2005		80,053.90
4798	2597	1HTSDAAL91H350163	November 1, 2005	November 1, 2005		72,819.61
4798	2598	1FVABRBW61HH66412	November 1, 2005	November 1, 2005		72,402.54
4798	2738	1FDNX21S6YED48375	November 1, 2005	November 1, 2005		15,559.37
4798	2739	2FTPX18ZXYCA90359	November 1, 2005	November 1, 2005		11,497.93
4798	2858	3G1JC52411S203331	November 1, 2005	November 1, 2005		7,671.85
4798	2859	3G1JC52491S201567	November 1, 2005	November 1, 2005		7,653.20
4798	2860	3G1JC52401S202431	November 1, 2005	November 1, 2005		7,626.53
4798	2861	2FTPX17Z71CA72506	November 1, 2005	November 1, 2005		13,956.74
4798	2862	2FTPX17Z91CA72507	November 1, 2005	November 1, 2005		13,766.38
4798	2863	2FTPX18Z71CA72505	November 1, 2005	November 1, 2005		15,016.17
4798	2864	3B6KC26Z81M554830	November 1, 2005	November 1, 2005		10,100.84
4798	2865	1FDSF35S41EC21748	November 1, 2005	November 1, 2005		17,450.93
4798	2866	1FTPF17M01KB25825	November 1, 2005	November 1, 2005		12,461.87
4798	2874	1FTSE34M81HB33729	November 1, 2005	November 1, 2005		16,551.62
4798	2876	1GCGG25R811231673	November 1, 2005	November 1, 2005		18,585.57
4798	2877	1GCGG25R511232568	November 1, 2005	November 1, 2005		17,768.81
4798	2878	1GCGG25R411231895	November 1, 2005	November 1, 2005		17,867.48
4798	2879	1GCGG25R411233923	November 1, 2005	November 1, 2005		19,059.03
4798	2881	1GCGG25R311233251	November 1, 2005	November 1, 2005		15,196.43
4798	2882	1GCGG25RX11232890	November 1, 2005	November 1, 2005		15,448.81
4798	2883	3B7KF26Z91M555472	November 1, 2005	November 1, 2005		13,312.79
4798	2884	1GCGG25R111233779	November 1, 2005	November 1, 2005		18,777.47
4798	2886	1GCGG25R211195768	November 1, 2005	November 1, 2005		15,747.19
4798	2887	1GCHG35R111193049	November 1, 2005	November 1, 2005		20,896.90
4798	2888	1GCGG25R911196142	November 1, 2005	November 1, 2005		19,277.97
4798	2889	1GCGG25R811196424	November 1, 2005	November 1, 2005		20,389.14
4798	2890	1GCHG39R011196387	November 1, 2005	November 1, 2005		21,480.40
4798	2894	1FDXE45S91HB11131	November 1, 2005	November 1, 2005		22,749.95
4798	2896	1GCHG35R811194036	November 1, 2005	November 1, 2005		20,200.23
4798	2910	3G1JC52471S202460	November 1, 2005	November 1, 2005		7,679.49
4798	2913	1B7HF13YX1J584993	November 1, 2005	November 1, 2005		10,628.50
4798	2915	3B7KF26Z01M555473	November 1, 2005	November 1, 2005		12,376.91
4798	2918	1FTSF31S51EC21753	November 1, 2005	November 1, 2005		12,112.46
4798	2920	1FDSF35S41EC21751	November 1, 2005	November 1, 2005		16,333.31
4798	2921	1FDSF35S61EC21752	November 1, 2005	November 1, 2005		16,306.37
4798	2922	1FDWF37S01EC21048	November 1, 2005	November 1, 2005		18,789.56
4798	2923	1GBHC24U41E266830	November 1, 2005	November 1, 2005		15,098.89
4798	2943	1B4GP25R91B169255	November 1, 2005	November 1, 2005		7,435.45
4798	2944	1B4GP25R71B178777	November 1, 2005	November 1, 2005		7,565.48
4798	2945	1B4GP25R01B169256	November 1, 2005	November 1, 2005		7,582.19
4798	2946	1B4GP25R21B169257	November 1, 2005	November 1, 2005		7,481.33
4798	2947	1B4GP25R41B169258	November 1, 2005	November 1, 2005		7,490.39
4798	2949	1B4GP25R21B169260	November 1, 2005	November 1, 2005		7,490.40
4798	2951	1B4GP44R61B187323	November 1, 2005	November 1, 2005		10,103.46

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	2952	1B4GP44R81B187324	November 1, 2005	November 1, 2005		9,159.45
4798	2953	1B4GP44RX1B187325	November 1, 2005	November 1, 2005		10,410.23
4798	2954	1B4GP25R61B169262	November 1, 2005	November 1, 2005		7,655.61
4798	2955	1B4GP25R81B169263	November 1, 2005	November 1, 2005		7,589.31
4798	2956	1B4GP25RX1B169264	November 1, 2005	November 1, 2005		7,531.58
4798	2957	1B4GP44R11B187326	November 1, 2005	November 1, 2005		10,269.31
4798	2958	1B4GP44R31B187327	November 1, 2005	November 1, 2005		9,464.04
4798	2959	1B4GP44R51B187328	November 1, 2005	November 1, 2005		8,935.99
4798	2961	1B4GP25R21B190917	November 1, 2005	November 1, 2005		9,015.18
4798	2962	1B4GP25R41B190918	November 1, 2005	November 1, 2005		8,736.72
4798	2963	1B4GP25R61B190919	November 1, 2005	November 1, 2005		10,400.59
4798	2964	1B4GP25R21B190920	November 1, 2005	November 1, 2005		10,311.24
4798	2965	1B4GP25R41B190921	November 1, 2005	November 1, 2005		7,950.89
4798	2966	1B4GP44R21B254662	November 1, 2005	November 1, 2005		9,719.18
4798	2967	1GCHG39R411232033	November 1, 2005	November 1, 2005		19,452.38
4798	2968	1B7HC16X11S248302	November 1, 2005	November 1, 2005		7,796.09
4798	2969	2FTPX17Z01CA72508	November 1, 2005	November 1, 2005		13,296.56
4798	2973	1B7KF23Z41J578644	November 1, 2005	November 1, 2005		12,106.12
4798	2974	1B7KF23Z61J578645	November 1, 2005	November 1, 2005		11,778.35
4798	2976	1B7KF23ZX1J578647	November 1, 2005	November 1, 2005		11,570.17
4798	3009	2B4FP2530TR767634	November 1, 2005	November 1, 2005		917.34
4798	3057	1GCGC24K0RE230666	November 1, 2005	November 1, 2005		1,252.74
4798	3128	1FDNF60JXMVA33849	November 1, 2005	November 1, 2005		515.97
4798	3129	1FDNF60J6MVA34142	November 1, 2005	November 1, 2005		480.21
4798	3130	1FDNF60JXMVA32474	November 1, 2005	November 1, 2005		2,083.73
4798	3132	1FDNF60J5NVA24414	November 1, 2005	November 1, 2005		1,813.19
4798	3135	1FDMF60J0NVA29645	November 1, 2005	November 1, 2005		2,040.20
4798	3145	1FDLF47F8SEA47162	November 1, 2005	November 1, 2005		1,432.92
4798	3146	1FV3EFBC7WH899981	November 1, 2005	November 1, 2005		34,320.76
4798	3147	1FV3EFBC9WH899982	November 1, 2005	November 1, 2005		28,047.09
4798	3148	1FV3EFBC0WH899983	November 1, 2005	November 1, 2005		30,214.35
4798	3149	1FV3EFBC5WH899980	November 1, 2005	November 1, 2005		27,961.48
4798	3151	1FDLF47F5VEB60507	November 1, 2005	November 1, 2005		2,205.45
4798	3196	2FUYDSEB1NV399740	November 1, 2005	November 1, 2005		30,608.73
4798	3197	1HTSDN4N3NH399787	November 1, 2005	November 1, 2005		2,199.54
4798	3199	1HSHCBBR9RH567914	November 1, 2005	November 1, 2005		3,185.62
4798	3200	1HSSCAAN9SH622155	November 1, 2005	November 1, 2005		1,657.44
4798	3201	1FVX8HCB9TL706197	November 1, 2005	November 1, 2005		50,677.53
4798	3202	1FV3EFAC1VH840859	November 1, 2005	November 1, 2005		15,978.98
4798	4012	1B7KF23Z11J608764	November 1, 2005	November 1, 2005		13,068.47
4798	4015	1B4GP25R31B232043	November 1, 2005	November 1, 2005		8,427.36
4798	4036	4VHJCJFE8VR857578	November 1, 2005	November 1, 2005		27,583.79
4798	4049	1B7KF23Z51J538962	November 1, 2005	November 1, 2005		14,833.50
4798	4073	1FVABXBV22HK25349	November 1, 2005	November 1, 2005		109,351.47
4798	4074	1FVABXBV62HK25371	November 1, 2005	November 1, 2005		70,152.14
4798	4117	1HTWPAADT23J048553	November 1, 2005	November 1, 2005		62,392.89
4798	4284	2B7HB11Y52K137184	November 1, 2005	November 1, 2005		13,279.82
4798	4285	2B7KB31Z12K137192	November 1, 2005	November 1, 2005		19,133.68
4798	4286	2B7KB31Z72K137195	November 1, 2005	November 1, 2005		19,788.58
4798	4287	2B7KB31Z32K137193	November 1, 2005	November 1, 2005		19,141.31
4798	4288	2B7KB31Z52K137194	November 1, 2005	November 1, 2005		18,260.62
4798	4289	1GCHG35R521245462	November 1, 2005	November 1, 2005		27,391.17

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	4290	2FTRX18L02CA99650	November 1, 2005	November 1, 2005		17,361.14
4798	4381	1GCHK24U12E278837	November 1, 2005	November 1, 2005		16,441.05
4798	4382	1GCHK24U72E278728	November 1, 2005	November 1, 2005		21,149.14
4798	4388	1FDSF35S93EA61403	November 1, 2005	November 1, 2005		28,428.70
4798	4389	1FTSE34S52HB80765	November 1, 2005	November 1, 2005		34,941.61
4798	4411	1B4GP25R12B714673	November 1, 2005	November 1, 2005		10,406.00
4798	4412	1B4GP25R32B714674	November 1, 2005	November 1, 2005		10,960.18
4798	4418	1B4GP25R22B719994	November 1, 2005	November 1, 2005		10,434.15
4798	4419	1B4GP25R42B719995	November 1, 2005	November 1, 2005		10,482.27
4798	4420	1B4GP25R62B719996	November 1, 2005	November 1, 2005		10,406.00
4798	4421	1B4GP25R82B719997	November 1, 2005	November 1, 2005		10,979.46
4798	4423	1B4GP25RX2B719998	November 1, 2005	November 1, 2005		10,394.74
4798	4425	1FDSF34S73EA51311	November 1, 2005	November 1, 2005		30,190.30
4798	4426	1FDSF34S53EA61402	November 1, 2005	November 1, 2005		26,268.45
4798	4427	1B4GP25R12B727259	November 1, 2005	November 1, 2005		11,261.90
4798	4433	1GCHG35U431100354	November 1, 2005	November 1, 2005		27,561.33
4798	4434	1FDXF47S33EA61406	November 1, 2005	November 1, 2005		28,370.32
4798	4435	1FTSF31S13EB69279	November 1, 2005	November 1, 2005		29,627.90
4798	4437	1GNDM19X92B138775	November 1, 2005	November 1, 2005		16,711.14
4798	4438	1GNDM19X93B109875	November 1, 2005	November 1, 2005		16,776.45
4798	4479	1GCHG35U031153746	November 1, 2005	November 1, 2005		23,809.78
4798	4502	1HTWDAAR93J078618	November 1, 2005	November 1, 2005		72,987.26
4798	4506	1FDXW47S83ED69414	November 1, 2005	November 1, 2005		43,642.84
4798	4507	1GCHG35UX31211569	November 1, 2005	November 1, 2005		23,994.72
4798	4508	1GCHG35U031207188	November 1, 2005	November 1, 2005		24,769.25
4798	4509	1GCHG35UX31213029	November 1, 2005	November 1, 2005		24,869.00
4798	4512	1D4GP25R23B247089	November 1, 2005	November 1, 2005		13,267.86
4798	4513	1D4GP25R93B247090	November 1, 2005	November 1, 2005		13,078.52
4798	4569	1GCHG35U531213228	November 1, 2005	November 1, 2005		24,551.98
4798	4570	1GCHG35U231210903	November 1, 2005	November 1, 2005		24,705.28
4798	4571	1GCHG35U331212692	November 1, 2005	November 1, 2005		24,743.57
4798	4572	1GCHG35U131213484	November 1, 2005	November 1, 2005		24,762.12
4798	4573	1GCHG35U431213088	November 1, 2005	November 1, 2005		27,091.63
4798	4574	1D7HB11Y73K515870	November 1, 2005	November 1, 2005		18,015.38
4798	4575	2D7HB11Y93K515871	November 1, 2005	November 1, 2005		18,446.59
4798	4576	1FTNX21S43ED32611	November 1, 2005	November 1, 2005		24,021.59
4798	4577	1FTNX21S63ED32612	November 1, 2005	November 1, 2005		25,331.16
4798	4578	1D7HU18D13J639187	November 1, 2005	November 1, 2005		21,509.83
4798	4579	1D7HU18D83J637341	November 1, 2005	November 1, 2005		18,986.45
4798	4580	3D7KU26D43G811986	November 1, 2005	November 1, 2005		20,723.89
4798	4581	3D7KU26D53G850246	November 1, 2005	November 1, 2005		19,275.56
4798	4582	3D7KU26D13G798307	November 1, 2005	November 1, 2005		17,119.02
4798	4597	1FDXX47S13ED32623	November 1, 2005	November 1, 2005		38,933.71
4798	4607	1FDXX47S93ED69421	November 1, 2005	November 1, 2005		31,238.81
4798	4622	1FDXX47S33ED32624	November 1, 2005	November 1, 2005		39,606.94
4798	4636	1GCHK24U33E311693	November 1, 2005	November 1, 2005		34,024.30
4798	4647	1D4GP25R93B254475	November 1, 2005	November 1, 2005		12,962.13
4798	4648	1D4GP25R53B254473	November 1, 2005	November 1, 2005		15,189.73
4798	4651	1D4GP25R73B254474	November 1, 2005	November 1, 2005		16,649.63
4798	4671	1FDXF46P63ED32617	November 1, 2005	November 1, 2005		63,285.81
4798	4673	1FDXF46P83ED32618	November 1, 2005	November 1, 2005		62,815.71
4798	4674	1FDSF35S13ED69424	November 1, 2005	November 1, 2005		32,250.44

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	4676	3D7KU26D83G813689	November 1, 2005	November 1, 2005		23,573.60
4798	4679	1GCHG35UX31214357	November 1, 2005	November 1, 2005		25,146.23
4798	4680	1GCHG35U131214599	November 1, 2005	November 1, 2005		24,864.83
4798	4681	1GCHG35U231215888	November 1, 2005	November 1, 2005		24,971.34
4798	4682	1GCHG35U131217194	November 1, 2005	November 1, 2005		24,800.35
4798	4683	1GCHG35U331213549	November 1, 2005	November 1, 2005		27,241.76
4798	4684	1GCHG35U031217915	November 1, 2005	November 1, 2005		27,229.81
4798	4686	1GCHG35U031215033	November 1, 2005	November 1, 2005		26,577.32
4798	4687	1GCHG35U331230545	November 1, 2005	November 1, 2005		36,260.46
4798	4688	1GCHG35U631215425	November 1, 2005	November 1, 2005		26,468.52
4798	4718	1FDXE45S43HB63592	November 1, 2005	November 1, 2005		46,856.29
4798	4723	1GCHG35U331224664	November 1, 2005	November 1, 2005		23,488.81
4798	4724	1GCHG35U631230345	November 1, 2005	November 1, 2005		36,782.26
4798	4738	2D7HB11Y33K524825	November 1, 2005	November 1, 2005		18,512.71
4798	4936	1GCHG35U341202004	November 1, 2005	November 1, 2005		28,260.69
4798	4937	1GCHG35UX41219785	November 1, 2005	November 1, 2005		27,925.36
4798	4938	1GCHG35U641214647	November 1, 2005	November 1, 2005		28,118.62
4798	4939	1GCHG35U841218182	November 1, 2005	November 1, 2005		27,703.49
4798	4940	1GCHG35U641213255	November 1, 2005	November 1, 2005		28,003.61
4798	4941	1GCHG35U641203910	November 1, 2005	November 1, 2005		27,493.14
4798	4942	1GCHG35U841201608	November 1, 2005	November 1, 2005		27,424.97
4798	4943	1GCHG35U741201034	November 1, 2005	November 1, 2005		26,779.85
4798	4972	1GCHG35UX41201142	November 1, 2005	November 1, 2005		24,265.69
4798	4973	1GCFG25T841201651	November 1, 2005	November 1, 2005		21,047.62
4798	4974	1GCFG25T941203781	November 1, 2005	November 1, 2005		21,047.62
4798	5017	1D4GP25R45B137518	November 1, 2005	November 1, 2005		18,123.84
4798	5018	1GCHG35U741203916	November 1, 2005	November 1, 2005		28,191.19
4798	5019	1GCHG35U841219865	November 1, 2005	November 1, 2005		23,416.11
4798	5020	2GCEK19V451104961	November 1, 2005	November 1, 2005		24,922.22
4798	5022	1GCHK24U24E327837	November 1, 2005	November 1, 2005		25,834.59
4798	5023	1GCHK24U84E330077	November 1, 2005	November 1, 2005		24,882.63
4798	5024	1GCHK24U84E330919	November 1, 2005	November 1, 2005		39,119.44
4798	5025	1GCHK24U24E332035	November 1, 2005	November 1, 2005		39,082.27
4798	5026	1FDSF34SX4ED42998	November 1, 2005	November 1, 2005		46,671.37
4798	5027	1FDSF34S14ED42999	November 1, 2005	November 1, 2005		43,133.76
4798	5028	1FDSF34S24ED43000	November 1, 2005	November 1, 2005		46,953.44
4798	5029	1FDXX47S94ED43001	November 1, 2005	November 1, 2005		59,163.61
4798	5030	1FDSF35SX4ED42997	November 1, 2005	November 1, 2005		42,600.50
4798	5031	1GCHK24U44E330710	November 1, 2005	November 1, 2005		24,416.74
4798	5033	1FTNX21L04EC93087	November 1, 2005	November 1, 2005		26,714.29
4798	5034	1FDXX47PX4EC93088	November 1, 2005	November 1, 2005		61,474.61
4798	5035	1FDXX47P44EC77162	November 1, 2005	November 1, 2005		62,315.53
4798	5036	1FDXX47P64EC77163	November 1, 2005	November 1, 2005		38,903.57
4798	5037	1FDXX47P84EC77164	November 1, 2005	November 1, 2005		64,943.46
4798	5061	1GCHK24U04E329425	November 1, 2005	November 1, 2005		39,234.56
4798	5062	1GCHK24U74E331852	November 1, 2005	November 1, 2005		39,006.80
4798	5080	1J4GL48K03W701586	November 1, 2005	November 1, 2005		20,862.52
4798	5081	1D4GP25R55B179048	November 1, 2005	November 1, 2005		16,190.48
4798	5082	1D4GP24R55B179049	November 1, 2005	November 1, 2005		16,190.48
4798	5083	1GCEC19X44Z343835	November 1, 2005	November 1, 2005		20,513.65
4798	5084	1GCHG35U741244823	November 1, 2005	November 1, 2005		27,422.97
4798	5085	1GCHG39U441236608	November 1, 2005	November 1, 2005		33,850.50

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	5086	1FDSX35S24ED62075	November 1, 2005	November 1, 2005		48,079.24
4798	5087	1GCHK24U84E370210	November 1, 2005	November 1, 2005		40,409.34
4798	5088	1GCHK24U74E368304	November 1, 2005	November 1, 2005		25,028.55
4798	5091	1FDXX47P04ED62077	November 1, 2005	November 1, 2005		65,465.61
4798	5092	1FDSF35S04ED80013	November 1, 2005	November 1, 2005		43,806.75
4798	5232	1GCDM19X05B122154	November 1, 2005	November 1, 2005		29,065.78
4798	5233	1GCDM19X05B122252	November 1, 2005	November 1, 2005		23,692.71
4798	5368	1GCDM19X75B122328	November 1, 2005	November 1, 2005		27,577.02
4798	7472	1GDE6T1B9LV515846	November 1, 2005	November 1, 2005		100.00
4798	7475	1GDE6T1B2LV515848	November 1, 2005	November 1, 2005		100.00
4798	7483	1GDKP32K6L3502305	November 1, 2005	November 1, 2005		100.00
4798	7819	1GDL7H1M8MJ522766	November 1, 2005	November 1, 2005		100.00
4798	7888	2FDJF37H3NCA17757	November 1, 2005	November 1, 2005		100.00
4798	8147	1GDKP32K6N3500959	November 1, 2005	November 1, 2005		100.00
4798	8148	1GDKP32K6N3500962	November 1, 2005	November 1, 2005		100.00
4798	8291	1GDJ7H1M1NJ525145	November 1, 2005	November 1, 2005		100.00
4798	8292	1GDJ7H1M5NJ525357	November 1, 2005	November 1, 2005		100.00
4798	8293	1GDJ7H1MXNJ525032	November 1, 2005	November 1, 2005		100.00
4798	8294	1GDJ7H1M3NJ525258	November 1, 2005	November 1, 2005		100.00
4798	8295	1GDJ7H1M7NJ525196	November 1, 2005	November 1, 2005		100.00
4798	8296	1GDJ7H1M0NJ525265	November 1, 2005	November 1, 2005		100.00
4798	8297	1GDJ7H1M2NJ525199	November 1, 2005	November 1, 2005		100.00
4798	8298	1GDJ7H1M3NJ525079	November 1, 2005	November 1, 2005		100.00
4798	8307	1GDKP32K5N3500807	November 1, 2005	November 1, 2005		100.00
4798	8597	1HTSDAARXRH577426	November 1, 2005	November 1, 2005		100.00
4798	8598	1GDKP32K5R3500098	November 1, 2005	November 1, 2005		100.00
4798	8599	1GDKP32K4R3500089	November 1, 2005	November 1, 2005		100.00
4798	8600	1GDKP32K3R3500083	November 1, 2005	November 1, 2005		100.00
4798	8601	1GDG6S1M0RJ514783	November 1, 2005	November 1, 2005		100.00
4798	8602	1GDG6S1M9RJ514586	November 1, 2005	November 1, 2005		100.00
4798	8603	1GDJ7H1M2RJ504388	November 1, 2005	November 1, 2005		100.00
4798	8604	1GDJ7H1M4RJ504506	November 1, 2005	November 1, 2005		100.00
4798	8605	1GDJ7H1M7RJ504368	November 1, 2005	November 1, 2005		100.00
4798	8606	1GDJ7H1M4RJ504750	November 1, 2005	November 1, 2005		100.00
4798	8607	1GDJ7H1M7RJ504810	November 1, 2005	November 1, 2005		100.00
4798	8608	1FDYH81E5RVA38260	November 1, 2005	November 1, 2005		100.00
4798	8889	1GBHC24K1RE260046	November 1, 2005	November 1, 2005		100.00
4798	8918	1GDKP32K2R3501970	November 1, 2005	November 1, 2005		100.00
4798	8919	1GDKP32K0R3501952	November 1, 2005	November 1, 2005		100.00
4798	8920	1GDKP32K3R3501928	November 1, 2005	November 1, 2005		100.00
4798	8921	1GDKP32K7R3501947	November 1, 2005	November 1, 2005		100.00
4798	8922	1GDJ7H1M8SJ502375	November 1, 2005	November 1, 2005		100.00
4798	8923	1GDJ7H1M1SJ502654	November 1, 2005	November 1, 2005		100.00
4798	8924	1GDJ7H1MXSJ502345	November 1, 2005	November 1, 2005		100.00
4798	8925	1GDKP32K0R3501949	November 1, 2005	November 1, 2005		100.00
4798	8926	1GDKP32K2R3502066	November 1, 2005	November 1, 2005		100.00
4798	8927	1GDKP32K5R3502062	November 1, 2005	November 1, 2005		100.00
4798	8929	1GDKP32K7R3502080	November 1, 2005	November 1, 2005		100.00
4798	9133	1FVXJLBB2SL726895	November 1, 2005	November 1, 2005		100.00
4798	9163	2FDJF37G6SCA50268	November 1, 2005	November 1, 2005		100.00
4798	9173	1GBKC34F2SJ113692	November 1, 2005	November 1, 2005		100.00
4798	9191	1GDKP32K4S3501653	November 1, 2005	November 1, 2005		100.00

Data Source	FM	FM		BCH	BCH	
Required For		ICBC				
Client Number	Unit Number	Vin #	In Service Date	Bill of Sale Date	Orig. Cost	Bill of Sale Cost
Required Field	Required Field	Required Field	Required Field	Required Field	Required Field	Required Field
4 Characters	5 Characters	17 Characters	8 Characters	8 Characters	8 Characters	8 Characters
Numeric	Numeric	Alpha/Numeric	Numeric	Numeric	Numeric	Numeric
PHH Client number	Client's internal or current unit #. Prints on Billings and Reports	*13 Characters if Model Year is 1980 or prior (VIN also shorter for equipment)	(mm/dd/yy.) Date cannot be prior to the date the contract is set up in PHH	(mm/dd/yy) Check payment date can be used	Orig Cost	Cap cost
4798	9192	1GDKP32K9S3502197	November 1, 2005	November 1, 2005		100.00
4798	9193	1GDKP32K5S3504173	November 1, 2005	November 1, 2005		100.00
4798	9194	1FV6JLBB6TL785025	November 1, 2005	November 1, 2005		1,777.51
4798	9315	2B7KB31T4TK121551	November 1, 2005	November 1, 2005		100.00
4798	9379	1FVXJLBB5WH932043	November 1, 2005	November 1, 2005		29,131.80
4798	9391	2B4FP2530VR331921	November 1, 2005	November 1, 2005		100.00
4798	9397	1GCDM19W8VB196333	November 1, 2005	November 1, 2005		100.00
4798	9451	2B7KB31Z5VK575170	November 1, 2005	November 1, 2005		100.00
4798	9453	2B7KB31Z9VK575172	November 1, 2005	November 1, 2005		100.00
4798	9932	1FMZU34X1WZB28526	November 1, 2005	November 1, 2005		100.00
4798	9933	2B7KB31Z9WK131100	November 1, 2005	November 1, 2005		100.00
4798	9976	2B7HB11Y7WK143638	November 1, 2005	November 1, 2005		100.00
4798	9977	2B7HB11Y9WK143639	November 1, 2005	November 1, 2005		100.00
4798	9978	2B7HB11Y5WK143640	November 1, 2005	November 1, 2005		100.00
4798	L001	2CUL2TE9512008675	November 1, 2005	November 1, 2005		3,332.92
4798	L355	2CUL2TE96Y2006850	November 1, 2005	November 1, 2005		3,091.89
4798	L359	2CUL2TE9XY2006852	November 1, 2005	November 1, 2005		3,091.89
4798	L386	2G9FTE72XY1031736	November 1, 2005	November 1, 2005		4,543.15
4798	L390	2G9FTE721Y1031737	November 1, 2005	November 1, 2005		4,356.95
4798	L501	2G9FTE52421031872	November 1, 2005	November 1, 2005		6,162.98
4798	L502	1LHL20FB831012684	November 1, 2005	November 1, 2005		621.36
4798	L508	2G9FTE52121031893	November 1, 2005	November 1, 2005		8,101.95
4798	L572	2CU123JA022010567	November 1, 2005	November 1, 2005		5,373.30
4798	L581	2CU123JA422011866	November 1, 2005	November 1, 2005		6,164.00
4798	7029	5076	November 1, 2005	November 1, 2005		100.00
4798	7035	106836	November 1, 2005	November 1, 2005		3,510.20
4798	7009	49985	November 1, 2005	November 1, 2005		100.00
4798	7057	U106990392	November 1, 2005	November 1, 2005		4,950.07
4798	7059		November 1, 2005	November 1, 2005		3,078.69
4798	7015	250223	November 1, 2005	November 1, 2005		100.00
4798	7064		November 1, 2005	November 1, 2005		100.00
4798	7060		November 1, 2005	November 1, 2005		3,078.69
4798	7074	HOB SP7118A-002	November 1, 2005	November 1, 2005		100.00
4798	7051		November 1, 2005	November 1, 2005		100.00

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Total Fair Market Value

\$ 7,185,772.97

1. Reference: Customer Growth - reference Table at Tab A4 p. 5

- a. Please produce a table with respect to annual residential customer growth, for each year from 1998 through 2006, showing the following information with respect to each year:
- i) The annual residential customer growth (projected for 2005, forecast for 2006)
 - ii) The residential customer growth that had been forecast for that year, the year before (excluding 2006)
 - iii) The percentage error of the forecast
 - iv) The number of housing starts
 - v) The average commodity unit-cost of gas for residential customers

Response:

Please refer to the table below.

TGI Residential Account Growth: 1998-2006

Data Type	1998	1999	2000	2001	2002	2003	2004	2005f	2006f
Residential Additions (actual)	8,199	11,137	6,317	4,835	7,360	6,306	10,716	12,095	12,204
Residential Additions (forecast)	16,015	11,979	10,372	8,290	5,400	8,800	8,000	9,652	
Forecast % Error	95%	8%	64%	71%	-27%	40%	-25%	-20%	n/a
Total BC Housing Starts	19,931	16,309	14,418	17,234	21,625	26,174	32,925	33,600	31,600
Average Actual Residential Gas Cost (\$/GJ)	\$ 2.64	\$ 3.27	\$ 5.31	\$ 8.50	\$ 6.63	\$ 7.88	\$ 7.41	\$ 8.40	n/a

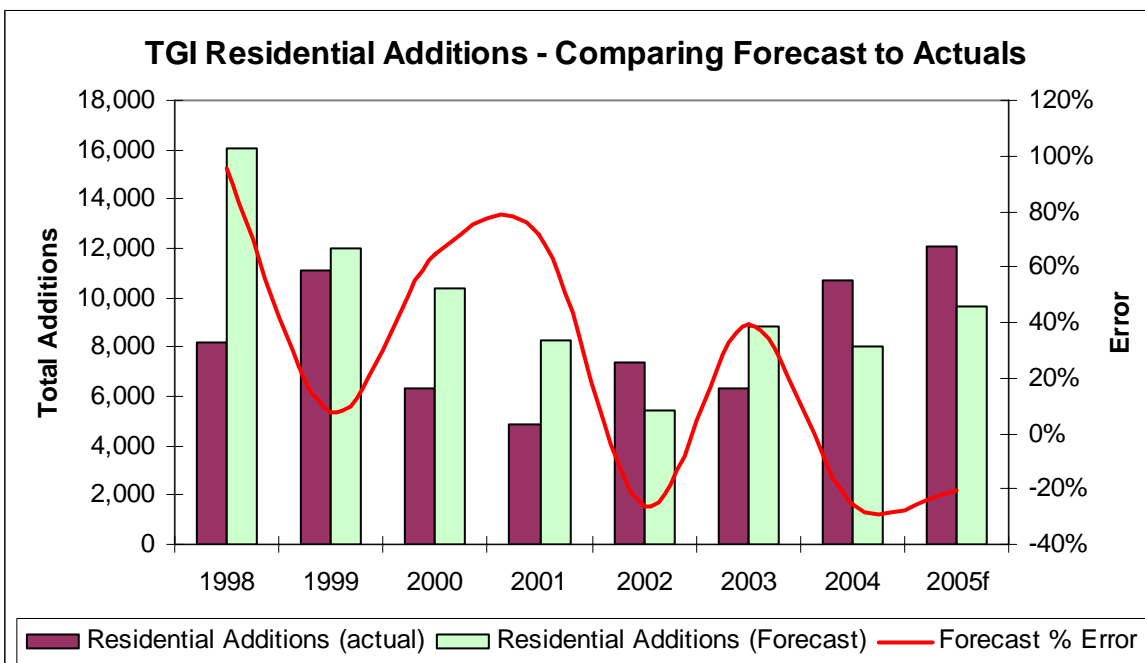
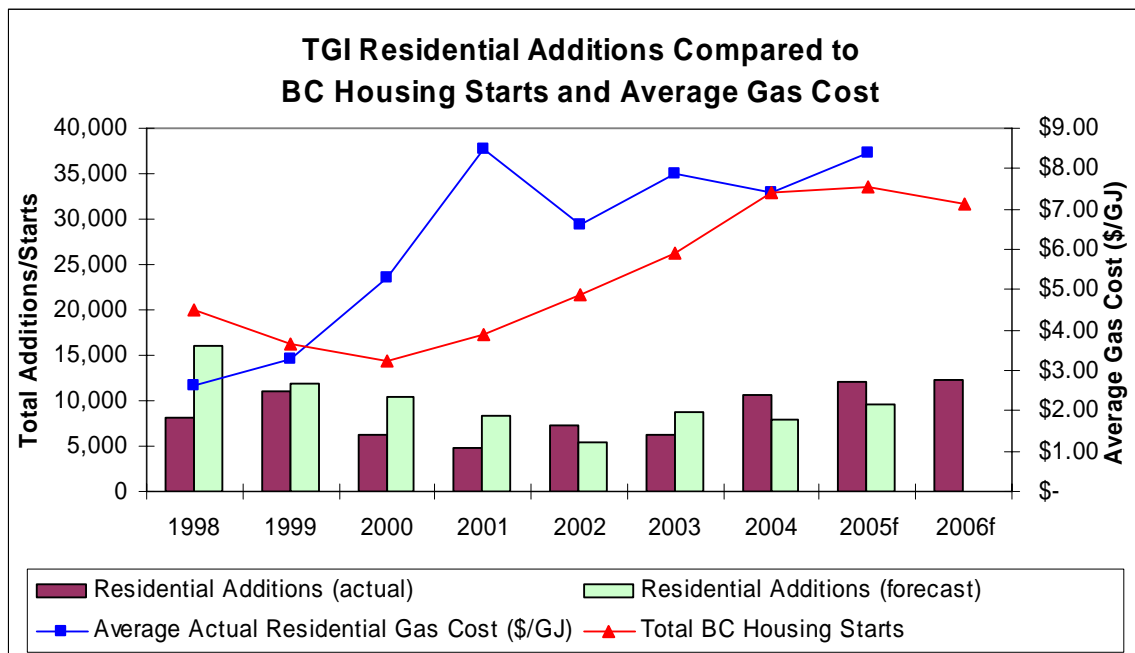
Notes: - the 2005 actual residential additions is a year-end projection
 - BC Housing Starts data come from CMHC
 - average annual gas cost reflects commodity & midstream rates for the Lower Mainland service region

Forecast and actual annual residential additions included in the table above are extracted from Annual Review filings.

b. Please also produce the results in graphic form.

Response:

Please refer to the figures below.



Forecast variances generally are caused by the difficulty in determining the precise timing of changes in the economic cycle. In 2000 and 2001, the depth and timing of the economic downturn was not anticipated, which resulted in an over forecast of actuals. In 2003 the strength of the economic recovery was also not fully anticipated in the forecast, which resulted in an under forecast of actuals.