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March 7, 2006

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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. – Lower Mainland, Inland, and Columbia Service Areas  
Commodity Cost Reconciliation Account (“CCRA”) and Midstream Cost  
Reconciliation Account (“MCRA”)  
2006 First Quarter Report – February 22, 2006 Forward Prices  
Gas Cost Flow-Through and Rate Changes Effective April 1, 2006**

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The attached materials provide the 2006 First Quarter Report for the CCRA and MCRA deferral accounts as required under Commission Guidelines.

Tab 1 provides the information related to the calculation of the CCRA rate change trigger mechanism and the MCRA ratio. The CCRA rate change trigger mechanism includes a deadband between 95% and 105% in the ratio of gas cost recoveries to gas purchase costs, and forecast deferral account balance at March 31, 2006. The ratio arising from forward prices as at February 22, 2006, gas purchase cost assumptions, and forecast commodity cost recoveries at present rates is 120.2% (Tab 1, Page 5, Line 11, Column 2) indicating that a rate change is required.

Tab 2 provides the information related to the allocation of the forecast CCRA gas supply costs to the rate classes according to the Phase A Methodology. The schedules within this section indicate the decrease that would be required to the commodity rates to eliminate any forecast over-recovery of the 12-month forward gas purchase costs. The detailed rate for each rate class by service area is provided within Tab 2, Table A, Pages 1 to 1.2. Terasen Gas requests the Commodity Cost Recovery rates be decreased, effective April 1, 2006, as per these schedules to eliminate the current forecast over-recovery within the CCRA.

Tab 3 provides a summary of the actual and forecast CCRA, MCRA, and combined CCRA/MCRA deferral account imbalances on a monthly basis under the proposed new rates effective April 1, 2006 (Tab 3, Page 1). The rate continuity schedules showing bill impact calculations at typical annual consumption levels for Rate Schedules 1 to 7 are provided within Tab 4. As well, Terasen Gas will provide the rate continuity schedules for all the affected rate classes when it files the amended tariff pages for Commission endorsement under separate cover.

Terasen Gas requests approval of the proposed commodity rate change effective April 1, 2006 but notes that the CCRA is projected to be at a surplus balance of \$23 million (after-tax) at March 31, 2006 and that with the proposed rates in effect, the balance is forecast to remain in a surplus position until after March 31, 2007.

The proposed rate change would result in a decrease of Rate Schedule 1 rates by \$1.648/GJ, and a decrease in a typical Lower Mainland Residential customer's annual bill by approximately \$181 or 11.9%.

We trust that the Commission will find this filing in order. If there are any questions regarding this filing, please contact Brian Noel at 604-592-7467.

Yours very truly,

**TERASEN GAS INC.**

*Original signed by Tom Loski*

*For:* Scott A. Thomson

Attachments

**TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS**  
**BCUC CCRA/MCRA GAS COST GUIDELINES**  
**CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)**  
**(\$ Millions)**  
**February 22, 2006 Forward Curve**

Line No.	Particulars	Recorded Previous Qtr (1*) Oct-Dec	2006 Rec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	Forec Sep	Forec Oct	Forec Nov	2006 Forec Dec	2007 Forec Jan	Forec Feb	2007 Forec Mar	Total Apr-Mar
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	<b>CCRA Forecast (at existing rates)</b>																	
2																		
3	CCRA Balance, Beginning - Pre-Tax	\$ (7)	\$ 1	\$ 2	\$ (13)	\$ (34)	\$ (56)	\$ (78)	\$ (99)	\$ (120)	\$ (140)	\$ (159)	\$ (179)	\$ (186)	\$ (187)	\$ (182)	\$ (179)	\$ (34)
4																		
5	Gas Costs Incurred (Incl. Hedging, etc.)	275	93	65	67	64	67	66	68	69	67	70	79	89	93	84	92	907
6																		
7	Revenue From Commodity Cost Recovery Rates	(267)	(92)	(79)	(88)	(86)	(89)	(86)	(89)	(89)	(86)	(89)	(86)	(89)	(89)	(80)	(89)	(1,049)
8																		
9	CCRA Balance, Ending - Pre-Tax	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ (13)</u>	<u>\$ (34)</u>	<u>\$ (56)</u>	<u>\$ (78)</u>	<u>\$ (99)</u>	<u>\$ (120)</u>	<u>\$ (140)</u>	<u>\$ (159)</u>	<u>\$ (179)</u>	<u>\$ (186)</u>	<u>\$ (187)</u>	<u>\$ (182)</u>	<u>\$ (179)</u>	<u>\$ (176)</u>	<u>\$ (176)</u>
10																		
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (8)</u>	<u>\$ (23)</u>	<u>\$ (37)</u>	<u>\$ (52)</u>	<u>\$ (66)</u>	<u>\$ (80)</u>	<u>\$ (94)</u>	<u>\$ (107)</u>	<u>\$ (120)</u>	<u>\$ (125)</u>	<u>\$ (125)</u>	<u>\$ (122)</u>	<u>\$ (120)</u>	<u>\$ (118)</u>	<u>\$ (118)</u>
12																		
13	<b>MCRA Forecast (at existing rates)</b>																	
14																		
15	MCRA Balance, Beginning <sup>(1*)</sup>	\$ (33)	\$ (40)	\$ (19)	\$ (35)	\$ (38)	\$ (30)	\$ (12)	\$ 8	\$ 28	\$ 50	\$ 68	\$ 78	\$ 75	\$ 69	\$ 52	\$ 42	\$ (38)
16																		
17	Gas Costs Incurred (Incl. Hedging, etc.)	329	119	62	52	10	-8	-17	-18	-20	-11	10	58	84	92	79	57	317
18																		
19	Revenue From Commodity Cost Recovery Rates	-336	-97	-78	-55	-2	26	37	38	41	29	-1	-61	-90	-109	-89	-66	(246)
20																		
21	MCRA Balance, Ending - Pre-Tax	<u>\$ (40)</u>	<u>\$ (19)</u>	<u>\$ (35)</u>	<u>\$ (38)</u>	<u>\$ (30)</u>	<u>\$ (12)</u>	<u>\$ 8</u>	<u>\$ 28</u>	<u>\$ 50</u>	<u>\$ 68</u>	<u>\$ 78</u>	<u>\$ 75</u>	<u>\$ 69</u>	<u>\$ 52</u>	<u>\$ 42</u>	<u>\$ 33</u>	<u>\$ 33</u>
22																		
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (27)</u>	<u>\$ (12)</u>	<u>\$ (23)</u>	<u>\$ (25)</u>	<u>\$ (20)</u>	<u>\$ (8)</u>	<u>\$ 6</u>	<u>\$ 19</u>	<u>\$ 34</u>	<u>\$ 46</u>	<u>\$ 52</u>	<u>\$ 51</u>	<u>\$ 47</u>	<u>\$ 35</u>	<u>\$ 28</u>	<u>\$ 22</u>	<u>\$ 22</u>
24																		
25	<b>Combined CCRA and MCRA Forecast (at existing rates)</b>																	
26																		
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (40)	\$ (39)	\$ (17)	\$ (48)	\$ (72)	\$ (86)	\$ (91)	\$ (91)	\$ (91)	\$ (90)	\$ (91)	\$ (101)	\$ (111)	\$ (117)	\$ (130)	\$ (137)	\$ (72)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	604	212	127	119	75	58	49	51	49	56	79	137	173	185	163	149	1,223
30																		
31	Revenue From Commodity Cost Recovery Rates	(603)	(190)	(157)	(143)	(88)	(63)	(49)	(51)	(48)	(57)	(90)	(147)	(179)	(198)	(169)	(156)	(1,295)
32																		
33	Combined Balance, Ending - Pre-Tax	<u>\$ (39)</u>	<u>\$ (17)</u>	<u>\$ (48)</u>	<u>\$ (72)</u>	<u>\$ (86)</u>	<u>\$ (91)</u>	<u>\$ (91)</u>	<u>\$ (91)</u>	<u>\$ (90)</u>	<u>\$ (91)</u>	<u>\$ (101)</u>	<u>\$ (111)</u>	<u>\$ (117)</u>	<u>\$ (130)</u>	<u>\$ (137)</u>	<u>\$ (144)</u>	<u>\$ (144)</u>
34																		
35	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (26)</u>	<u>\$ (11)</u>	<u>\$ (32)</u>	<u>\$ (48)</u>	<u>\$ (57)</u>	<u>\$ (60)</u>	<u>\$ (61)</u>	<u>\$ (61)</u>	<u>\$ (60)</u>	<u>\$ (61)</u>	<u>\$ (68)</u>	<u>\$ (74)</u>	<u>\$ (78)</u>	<u>\$ (87)</u>	<u>\$ (91)</u>	<u>\$ (96)</u>	<u>\$ (96)</u>

37 Notes: Slight differences in totals due to rounding.  
 38 (1\*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts.  
 39 (2\*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 SUMAS INDEX FORECAST FOR THE 26 MONTHS ENDING MARCH 31, 2008  
 AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Line No.	Particulars	Jan 1, 2006 Trigger Test November 22, 2005	Apr 1, 2006 Trigger Test February 22, 2006	Apr 1, 2006 Trigger Test Less Existing Rates
		Forward Prices	Forward Prices	Forecast Difference
	(1)	(2)	(3)	(4)
1	<b>Sumas Index Prices - \$US/MMBTU</b>	<b>Jan 2005-Dec 2007</b>	<b>Jan 2005-Mar 2008</b>	
2	January 2005	\$ 5.94	\$ 5.94	\$ -
3	February	\$ 5.60	\$ 5.60	-
4	March	\$ 5.50	\$ 5.50	-
5	April	\$ 6.41	\$ 6.41	-
6	May	\$ 6.35	\$ 6.35	-
7	June	\$ 5.52	\$ 5.52	-
8	July	\$ 6.05	\$ 6.05	-
9	August	\$ 5.99	\$ 5.99	-
10	September	\$ 7.92	\$ 7.92	-
11	October	\$ 9.77	\$ 9.77	-
12	November	\$ 11.11	\$ 11.11	-
13	December	\$ 12.22	\$ 9.60	(2.62)
14	<b>Simple Average (Jan, 2005 - Dec, 2005)</b>	<b>\$ 7.37</b>	<b>\$ 7.15</b>	-3.0% <b>\$ (0.22)</b>
15	<b>Simple Average (Apr, 2005 - Mar, 2006)</b>	<b>\$ 8.56</b>	<b>\$ 7.66</b>	-10.5% <b>\$ (0.90)</b>
16	<b>Simple Average (Jul, 2005 - Jun, 2006)</b>	<b>\$ 9.28</b>	<b>\$ 7.72</b>	-16.8% <b>\$ (1.56)</b>
17	<b>Simple Average (Oct, 2005 - Sep, 2006)</b>	<b>\$ 9.88</b>	<b>\$ 7.75</b>	-21.6% <b>\$ (2.13)</b>
18	January 2006	\$ 10.43	\$ 9.66	Rec. \$ (0.77)
19	February	\$ 10.51	\$ 7.12	Proj. (3.39)
20	March	\$ 10.45	\$ 6.38	Forec. (4.07)
21	April	\$ 9.06	\$ 6.08	(2.98)
22	May	\$ 8.92	\$ 6.30	(2.62)
23	June	\$ 8.95	\$ 6.60	(2.35)
24	July	\$ 9.00	\$ 6.81	(2.19)
25	August	\$ 9.04	\$ 6.80	(2.24)
26	September	\$ 9.04	\$ 6.74	(2.30)
27	October	\$ 9.09	\$ 6.77	(2.32)
28	November	\$ 9.81	\$ 8.01	(1.80)
29	December	\$ 10.29	\$ 9.01	(1.28)
30	<b>Simple Average (Jan, 2006 - Dec, 2006)</b>	<b>\$ 9.55</b>	<b>\$ 7.19</b>	-24.7% <b>\$ (2.36)</b>
31	<b>Simple Average (Apr, 2006 - Mar, 2007)</b>		<b>\$ 7.66</b>	-19.8% <b>\$ (1.89)</b>
32	<b>Simple Average (Jul, 2006 - Jun, 2007)</b>		<b>\$ 7.99</b>	-16.3% <b>\$ (1.56)</b>
33	<b>Simple Average (Oct, 2006 - Sep, 2007)</b>		<b>\$ 8.24</b>	-13.7% <b>\$ (1.31)</b>
34	January 2007		\$ 9.67	\$ (0.76)
35	February		\$ 9.67	(0.84)
36	March		\$ 9.48	(0.97)
37	April		\$ 7.77	(1.29)
38	May		\$ 7.57	(1.35)
39	June		\$ 7.63	(1.32)
40	July		\$ 7.70	(1.30)
41	August		\$ 7.76	(1.28)
42	September		\$ 7.78	(1.26)
43	October		\$ 7.86	(1.23)
33	November		\$ 8.48	(1.33)
34	December		\$ 9.04	(1.25)
35	<b>Simple Average (Jan, 2007 - Dec, 2007)</b>		<b>\$ 8.37</b>	-12.4% <b>\$ (1.18)</b>
36	<b>Simple Average (Apr, 2007 - Mar, 2008)</b>		<b>\$ 8.32</b>	-12.9% <b>\$ (1.23)</b>
37	January 2008		\$ 9.47	\$ (0.96)
38	February		\$ 9.48	(1.03)
39	March		\$ 9.32	(1.13)
40				
41	<b>Conversion Factors</b>		<b>Forecast Apr 2006-Mar 2007</b>	
42	Exchange Rate \$US/\$CA	0.8540	0.8743	0.020
43	Exchange Rate \$CA/\$US	1.1710	1.1438	-2.3% (0.027)
44	GJ/MMBTU	1.055056	1.055056	
45	Exchange Rate \$CA/\$US - Feb 2006	Current Month	1.1402	-2.6% (0.031)

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 AECO INDEX PROJECTIONS  
 FOR THE 26 MONTHS ENDING MARCH 31, 2008

Line No.	Particulars	Jan 1, 2006	Apr 1, 2006	Apr 1, 2006
		Trigger Test	Trigger Test	Trigger Test
		November 22, 2005	February 22, 2006	Less Existing
		Forward	Forward	Rates
		Prices	Prices	Forecast
	(1)	(2)	(3)	(4)
		Jan 2005-Dec 2007	Jan 2005-Mar 2008	
1	<b>AECO - \$CA/GJ</b>			
2	<b>January 2005</b>	\$ 6.59	\$ 6.59	\$ -
3	February	\$ 6.16	\$ 6.16	-
4	March	\$ 6.27	\$ 6.27	-
5	April	\$ 7.09	\$ 7.09	-
6	May	\$ 7.28	\$ 7.28	-
7	June	\$ 6.61	\$ 6.61	-
8	July	\$ 7.02	\$ 7.02	-
9	August	\$ 7.18	\$ 7.18	-
10	September	\$ 9.05	\$ 9.05	-
11	October	\$ 10.94	\$ 10.94	-
12	November	\$ 12.08	\$ 12.08	-
13	December	\$ 13.03	\$ 10.22	(2.81)
14	<b>Simple Average (Jan, 2005 - Dec, 2005)</b>	\$ 8.28	\$ 8.04	-2.9% \$ (0.24)
15	<b>Simple Average (Apr, 2005 - Mar, 2006)</b>	\$ 9.50	\$ 8.66	-8.8% \$ (0.84)
16	<b>Simple Average (Jul, 2005 - Jun, 2006)</b>	\$ 10.25	\$ 8.65	-15.6% \$ (1.60)
17	<b>Simple Average (Oct, 2005 - Sep, 2006)</b>	\$ 10.82	\$ 8.52	-21.3% \$ (2.30)
18	<b>January 2006</b>	\$ 11.12	\$ 11.48	Rec. \$ 0.36
19	February	\$ 11.30	\$ 8.02	Proj. (3.28)
20	March	\$ 11.30	\$ 7.00	Forec. (4.30)
21	April	\$ 10.10	\$ 6.90	(3.20)
22	May	\$ 9.92	\$ 6.92	(3.00)
23	June	\$ 9.96	\$ 7.04	(2.92)
24	July	\$ 10.01	\$ 7.14	(2.87)
25	August	\$ 10.06	\$ 7.19	(2.87)
26	September	\$ 10.06	\$ 7.29	(2.77)
27	October	\$ 10.11	\$ 7.40	(2.71)
28	November	\$ 10.55	\$ 8.26	(2.29)
29	December	\$ 11.07	\$ 9.35	(1.72)
30	<b>Simple Average (Jan, 2006 - Dec, 2006)</b>	\$ 10.46	\$ 7.83	-25.1% \$ (2.63)
31	<b>Simple Average (Apr, 2006 - Mar, 2007)</b>		\$ 8.12	-22.4% \$ (2.34)
32	<b>Simple Average (Jul, 2006 - Jun, 2007)</b>		\$ 8.44	-19.3% \$ (2.02)
33	<b>Simple Average (Oct, 2006 - Sep, 2007)</b>		\$ 8.73	-16.5% \$ (1.73)
34	<b>January 2007</b>		\$ 10.06	\$ (1.06)
35	February		\$ 10.03	(1.27)
36	March		\$ 9.81	(1.49)
37	April		\$ 8.39	(1.71)
38	May		\$ 8.17	(1.75)
39	June		\$ 8.23	(1.73)
40	July		\$ 8.31	(1.70)
41	August		\$ 8.37	(1.69)
42	September		\$ 8.40	(1.66)
43	October		\$ 8.48	(1.63)
33	November		\$ 8.80	(1.75)
34	December		\$ 9.40	(1.67)
35	<b>Simple Average (Jan, 2007 - Dec, 2007)</b>		\$ 8.87	-15.2% \$ (1.59)
36	<b>Simple Average (Apr, 2007 - Mar, 2008)</b>		\$ 8.82	-15.7% \$ (1.64)
37	<b>January 2008</b>		\$ 9.86	\$ (1.26)
38	February		\$ 9.78	(1.52)
39	March		\$ 9.61	(1.69)

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 STATION NO. 2 INDEX PROJECTIONS  
 FOR THE 26 MONTHS ENDING MARCH 31, 2008

Line No.	Particulars	Jan 1, 2006 Trigger Test November 22, 2005 Forward Prices	Apr 1, 2006 Trigger Test February 22, 2006 Forward Prices	Apr 1, 2006 Trigger Test Less Existing Rates Forecast Difference
		(1)	(3)	(4)
1	<b>Station No. 2 - \$CA/GJ</b>	<b>Jan 2005-Dec 2007</b>	<b>Jan 2005-Mar 2008</b>	
2	January 2005	\$ 6.04	\$ 6.04	\$ -
3	February	\$ 6.35	\$ 6.35	-
4	March	\$ 6.30	\$ 6.30	-
5	April	\$ 7.04	\$ 7.04	-
6	May	\$ 7.21	\$ 7.21	-
7	June	\$ 6.43	\$ 6.43	-
8	July	\$ 6.86	\$ 6.86	-
9	August	\$ 6.91	\$ 6.91	-
10	September	\$ 8.58	\$ 8.58	-
11	October	\$ 10.36	\$ 10.36	-
12	November	\$ 11.72	\$ 11.72	-
13	December	\$ 12.68	\$ 9.84	(2.84)
14	Simple Average (Jan, 2005 - Dec, 2005)	\$ 8.04	\$ 7.80	-3.0% \$ (0.24)
15	Simple Average (Apr, 2005 - Mar, 2006)	\$ 9.21	\$ 8.17	-11.3% \$ (1.04)
16	Simple Average (Jul, 2005 - Jun, 2006)	\$ 9.91	\$ 8.10	-18.3% \$ (1.81)
17	Simple Average (Oct, 2005 - Sep, 2006)	\$ 10.49	\$ 7.96	-24.1% \$ (2.53)
18	January 2006	\$ 10.80	\$ 9.53	Rec. \$ (1.27)
19	February	\$ 10.98	\$ 7.06	Proj. (3.92)
20	March	\$ 10.98	\$ 6.55	Forec. (4.43)
21	April	\$ 9.80	\$ 6.56	(3.24)
22	May	\$ 9.62	\$ 6.58	(3.04)
23	June	\$ 9.66	\$ 6.70	(2.96)
24	July	\$ 9.71	\$ 6.79	(2.92)
25	August	\$ 9.76	\$ 6.85	(2.91)
26	September	\$ 9.76	\$ 6.95	(2.81)
27	October	\$ 9.81	\$ 7.06	(2.75)
28	November	\$ 10.36	\$ 7.99	(2.37)
29	December	\$ 10.88	\$ 9.08	(1.80)
30	Simple Average (Jan, 2006 - Dec, 2006)	\$ 10.18	\$ 7.31	-28.2% \$ (2.87)
31	Simple Average (Apr, 2006 - Mar, 2007)		\$ 7.80	-23.4% \$ (2.38)
32	Simple Average (Jul, 2006 - Jun, 2007)		\$ 8.15	-19.9% \$ (2.03)
33	Simple Average (Oct, 2006 - Sep, 2007)		\$ 8.45	-17.0% \$ (1.73)
34	January 2007		\$ 9.79	\$ (1.01)
35	February		\$ 9.76	(1.22)
36	March		\$ 9.54	(1.44)
37	April		\$ 8.11	(1.69)
38	May		\$ 7.89	(1.73)
39	June		\$ 7.95	(1.71)
40	July		\$ 8.03	(1.68)
41	August		\$ 8.09	(1.67)
42	September		\$ 8.12	(1.64)
43	October		\$ 8.20	(1.61)
33	November		\$ 8.56	(1.80)
34	December		\$ 9.16	(1.72)
35	Simple Average (Jan, 2007 - Dec, 2007)		\$ 8.60	-15.5% \$ (1.58)
36	Simple Average (Apr, 2007 - Mar, 2008)		\$ 8.55	-16.0% \$ (1.63)
37	January 2008		\$ 9.61	\$ (1.19)
38	February		\$ 9.54	(1.44)
39	March		\$ 9.37	(1.61)

**TERASEN GAS INC.**  
**COMBINED CCRA AND MCRA RECOVERY - TO - COST RATIOS**  
**FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007**  
**February 22, 2006 Forward Prices**  
**Recorded Balances to January 31, 2006**

<u>Line No.</u>	<u>Particulars</u>	<u>Balances</u>
	(1)	(2)
1	<b><u>CCRA Rate Change Trigger Mechanism</u></b>	<b><u>\$(millions)</u></b>
2	Forecast Recovered Gas Costs per BCUC Guidelines (Apr 2006 - Mar 2007) (Tab 1, Page 1, Col. 18, Line 7)	\$ 1,049
3		-
4	Total Recovered Gas Costs (Apr 2006 - Mar 2007)	<u>\$ 1,049</u>
5		
6	Forecast 12-month Gas Supply Cost (Apr 2006 - Dec 2007) (Tab 1, Page 1, Col.18, Line 5)	\$ 907
7		
8	Projected CCRA Grossed-up After Tax Balance (at March 31, 2006) (Tab 1, Page 1, Col. 5, Line 9)	<u>(34)</u>
9	Total Gas Cost - Trigger Mechanism Denominator	<u>\$ 873</u>
10		
11	CCRA Trigger Mechanism Ratio	\$ 1,049 / \$ 873 = <u>120.2%</u>
12		
13		
14		
15		
16	<b><u>MCRA Ratio</u></b>	<b><u>\$(millions)</u></b>
17	Forecast Recovered Gas Costs per BCUC Guidelines (Apr 2006 - Mar 2007) (Tab 1, Page 1, Col. 18, Line 19)	\$ 246
18	New Incremental Rider 6 (Apr 2006 - Mar 2007)	-
19	Total Recovered Gas Costs (Apr 2006 - Mar 2007)	<u>\$ 246</u>
20		
21	Forecast 12-month Gas Supply Cost (Apr 2006 - Mar 2007) (Tab 1, Page 1, Col. 18, Line 17)	\$ 317
22		
23	MCRA Grossed-up After Tax Balance excluding interest (at March 31, 2006) (Tab 1, Page 1, Col. 5, Line 21)	<u>(38)</u>
24	Total Gas Cost - Denominator	<u>\$ 279</u>
25		
26	MCRA Ratio	\$ 246 / \$ 279 = <u>88.2%</u>
27		
28		
29		
30		
31	<b><u>COMBINED CCRA and MCRA RATIOS</u></b>	<b><u>\$(millions)</u></b>
32	Forecast Recovered Gas Costs per BCUC Guidelines (Apr 2006 - Mar 2007) (Tab 1, Page 1, Col. 18, Line 31)	\$ 1,295
33	New Incremental Rider 6 (Apr 2006 - Mar 2007)	-
34	Total Recovered Gas Costs (Apr 2006 - Mar 2007)	<u>\$ 1,295</u>
35		
36	Forecast 12-month Gas Supply Cost (Apr 2006 - Mar 2007) (Tab 1, Page 1, Col. 18, Line 29)	\$ 1,224
37		
38	Combined CCRA and MCRA Grossed-up After Tax Balance (at March 31, 2006) (Tab 1, Page 1, Col. 5, Line 33)	<u>(72)</u>
39	Total Gas Cost - Denominator	<u>\$ 1,152</u>
40		
41	Combined CCRA and MCRA Ratio	\$ 1,295 / \$ 1,152 = <u>112.4%</u>
42		
43		
44		
45		
46		
47	Note: Slight differences in totals due to rounding.	

# GAS BUDGET COST SUMMARY

April 1, 2006 to March 31, 2007

ITEM	TJ's Delivered	\$ ,000	\$/GJ	COMMENTS
<b>TOTAL</b>	<b>115,978.2</b>	<b>\$1,079,300</b>	<b>\$9.306</b>	<b>Total Net Costs for Firm Customers after offsets</b>
<b>A) TERM PURCHASE</b>				
				<b>Priced Based on 100% Monthly Forward</b>
<b>TOTAL</b>	<b>50,421.6</b>	<b>\$411,018</b>	<b>\$8.152</b>	<b>Invoice incl. Fuel to LML/EKE</b>
Sumas	13,720.8	\$113,743	\$8.290	Includes Kingsgate/Stanfield/SIPI
Station #2	29,400.8	\$237,360	\$8.073	50% priced at AECO + basis
AECO	7,300.0	\$59,915	\$8.208	
<b>B) SEASONAL</b>				
<b>TOTAL</b>	<b>81,846.3</b>	<b>\$683,388</b>	<b>\$8.350</b>	
Sumas	3,782.3	\$39,670	\$10.488	Includes Kingsgate/Stanfield/SIPI
Station #2	62,807.4	\$520,208	\$8.283	
AECO	15,256.6	\$123,509	\$8.095	
<b>C) PEAKING/SPOT</b>				
<b>TOTAL</b>	<b>2,593.1</b>	<b>\$21,656</b>	<b>\$8.352</b>	
Sumas	203.9	\$2,377	\$11.659	Daily priced-assumed at 1.5 * month price
Station #2	2,233.2	\$17,866	\$8.000	
AECO	156.0	\$1,413	\$9.055	
<b>D) HEDGING (GAIN)/LOSS</b>				
<b>TOTAL</b>		<b>\$28,357</b>	<b>N/A</b>	
Sumas		N/A		
AECO		N/A		Includes coverage of Stn#2 AECO Deals
Basis (Sumas-NYMEX)		N/A		
<b>E) TRANSPORTATION</b>				
				<b>Terasen Gas-held only - Includes variable cost &amp; fuel</b>
<b>TOTAL</b>		<b>\$79,699</b>		
WEI	161,695.0	\$64,143	\$0.397	90% T-South
NOVA/ANG	47,815.0	\$9,931	\$0.208	
NWP	7,550.0	\$5,625	\$0.745	
<b>F) STORAGE GAS COMMODITY</b>				
				<b>Net Cost (Includes variable cost &amp; fuel)</b>
<b>TOTAL</b>	<b>(24,012.7)</b>	<b>\$84,229.8</b>	<b>N/A</b>	
<b>(I) Injection credit of term costs</b>				
B.C. (Aitken)	(13,244.7)	(\$92,717)	\$7.000	Credit of variable cost of term gas to withdrawal period
Alberta (Carbon)	(2,394.5)	(\$16,406)	\$6.851	
Downstream (JP/Mist)	(8,373.5)	(\$66,843)	\$7.983	
<b>TOTAL</b>	<b>(24,012.7)</b>	<b>(\$175,965.9)</b>	<b>\$7.328</b>	
<b>(II) Withdrawal Cost</b>				
B.C. (Aitken)	19,688.5	\$138,020	\$7.010	Includes LNG
Alberta (Carbon)	2,986.5	\$20,291	\$6.794	
Downstream (JP/Mist)	9,502.7	\$73,533	\$7.738	
<b>TOTAL</b>	<b>32,177.7</b>	<b>\$231,843.9</b>	<b>\$7.205</b>	
<b>(III) Storage Demand Charges (fixed only)</b>				
B.C. (Aitken)		\$14,014		Includes LNG
Alberta (Carbon)		\$1,328		
Downstream (JP/Mist/SoCal)		\$13,010		
<b>TOTAL</b>		<b>\$28,351.8</b>		
<b>G) MITIGATION ACTIVITIES</b>				
<b>TOTAL</b>		<b>(\$232,138)</b>		
Resale Commodity	(24,965.4)	(\$217,831)	\$8.725	Both on/off-system sales of surplus term & storage gas
Mitigation of Assets		(\$14,306)		(Note #1) Includes transportation & Storage
<b>H) OTHER COSTS</b>				
<b>TOTAL</b>	<b>(2,082.4)</b>	<b>\$3,090</b>		
Terasen Gas Fuel	283.3			
Terasen Gas Admin		\$2,090		
GSMIP		\$1,000		
Fuel in Kind	(2,082.4)			

**February 22nd Forward Prices**

<b>Note #1: This is net mitigation recovered</b>	
Total sales are:	\$x
Gross costs are:	-\$y
= Net Mitigation	



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**TERASEN GAS INC.**  
**RECONCILIATION OF GAS COSTS INCURRED**  
**FOR THE TWELVE MONTHS ENDING MARCH 31, 2007**  
**(Forecast based on February 22, 2006 Forward Prices)**  
**\$(Millions)**

Tab 1  
 Page 7

Line No.	Particulars	CCRA/MCRA Deferral Acct Forecast	Gas Budget Cost Summary
	(1)	(2)	(3)
1	<b>Gas Cost Incurred - CCRA/MCRA</b>		
2	12 Months Forecast to March 31, 2007		
3	(Tab 1, Page 1, Column 18, Line 29)	\$ 1,223	
4			
5	<b>Gas Budget Cost Summary</b>		
6	Total Net Costs for Firm Customers		\$ 1,079
7			
8	<b>Add Back Off-System Sales</b>		
9	Cost		155
10	Margin		48
11			
12	<b>Add Back On-System Sales</b>		
13	Cost (Rates 7 and 14)		13
14	Margin (Rates 7 and 14)		2
15			
16			
17	<b>Deduct Marketer Supplied Commodity</b>		-73
18			
19	Rounding		(1)
20			
21	<b>Reconciled Total Gas Costs Incurred</b>		
22	CCRA/ MCRA 12 Month Forecast	<u>\$ 1,223</u>	<u>\$ 1,223</u>

TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 FI.

Line No.	Particulars	Residential		Commercial		General Firm Service	NGV	Seasonal	Interruptible		Off-System Sales		Burrard Thermal		Total Sales	
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Subtotal		Rate 4	Rate 7			Rate 14 (Rate 10)	Squamish		Firm
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	<b>SUMMARY</b>															
2																
3																
4	Sales Volume (TJ)	54,653.5	12,601.3	11,264.3	3,539.2	198.0	82,256.3	77.9	42.4	1,487.5	23,131.3		350.8	0.0	0.0	107,346.2
5																
6																
7	<b>Gas Purchase Costs (\$000)</b>															
8	Commodity Costs	\$ 433,576.6	\$ 99,968.6	\$ 89,361.9	\$ 28,077.1	\$ 1,570.8	\$ 652,555.0	\$ 345.4	\$ 295.1	\$ -	\$ -		\$ 2,783.0	\$ -	\$ -	\$ 655,978.5
9	Commodity Tolls and Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
10	Fixed Costs	13,029.8	3,147.8	2,271.2	518.1	14.5	18,981.3	-	-	-	-		84.7	-	-	19,066.1
11	Total Commodity & Demand	446,606.4	103,116.4	91,633.1	28,595.2	1,585.3	671,536.3	345.4	295.1	0.0	0.0		2,867.8	0.0	0.0	675,044.6
12	Unamortized Deficit (Surplus)	(17,265.4)	(3,980.8)	(3,558.5)	(1,118.1)	(62.5)	(25,985.3)	(13.8)	-	-	-		(112.5)	-	-	(26,111.6)
13	Hedge Loss (Gain) - Variable Cost	14,421.0	3,325.0	2,972.2	933.9	52.2	21,704.3	11.5	-	-	-		94.0	-	-	21,809.8
14	Core Market Administrative Costs - Fixed Cost	328.5	79.4	57.3	13.1	0.4	478.5	-	-	-	-		2.1	-	-	480.7
15		\$ 444,090.4	\$ 102,539.9	\$ 91,104.1	\$ 28,424.1	\$ 1,575.3	\$ 667,733.9	\$ 343.2	\$ 295.1	\$ 0.0	\$ 0.0		\$ 2,851.4	\$ -	\$ -	\$ 671,223.5
16																
17																
18	<b>Unit Costs (\$/GJ)</b>															
19	Commodity Costs	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 4.4344	\$ 6.9593	\$ -	\$ -		\$ 7.9333	\$ -	\$ 0.0000	\$ 6.1109
20	Commodity Tolls and Fees	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000		0.0000	0.0000	0.0000	0.0000
21	Fixed Costs	0.2384	0.2498	0.2016	0.1464	0.0732	0.2308	-	-	-	-		0.2416	-	-	0.1776
22	Commodity & Demand / GJ	8.1716	8.1830	8.1348	8.0796	8.0064	8.1639	4.4344	6.9593	0.0000	0.0000		8.1749	0.0000	0.0000	6.2885
23	Unamortized Deficit (Surplus)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	(0.1766)	0.0000	0.0000	0.0000		(0.3207)	0.0000	0.0000	(0.2432)
24	Hedge Loss (Gain) - Variable Cost	0.2639	0.2639	0.2639	0.2639	0.2639	0.2639	0.1475	0.0000	0.0000	0.0000		0.2678	0.0000	0.0000	0.2032
25	Core Market Administrative Costs - Fixed Cost	0.0060	0.0063	0.0051	0.0037	0.0018	0.0058	-	-	-	-		0.0061	0.0000	0.0000	0.0045
26		\$ 8.1256	\$ 8.1372	\$ 8.0879	\$ 8.0312	\$ 7.9562	\$ 8.1177	\$ 4.4053	\$ 6.9593	\$ 0.0000	\$ 0.0000		\$ 8.1282	\$ -	\$ 0.0000	\$ 6.2529
27																
28																
29	<b>AVERAGE COST OF GAS - \$/GJ</b>															
30	Forecast (CCRA with February 22, 2006 prices)	\$ 8.126	\$ 8.137	\$ 8.088	\$ 8.031	\$ 7.956	\$ 8.118	\$ 8.031	\$ 8.031	\$ 8.031			\$ 8.124			
31																
32	Approved CCRA Rates (January 1, 2006)	9.774	9.797	9.699	9.587	9.438	9.759	9.587	9.587				9.770			
33																
34	Cost of Gas Increase (Decrease)	\$ (1.648)	\$ (1.660)	\$ (1.611)	\$ (1.556)	\$ (1.482)	\$ (1.641)	\$ (1.556)	\$ (1.556)				\$ (1.646)			
35																
36	Cost of Gas Percentage Increase (Decrease)	-16.86%	-16.94%	-16.61%	-16.23%	-15.70%	-16.82%	-16.23%	-16.23%				-16.85%			

Tab 2, Table A, Lower Mainland, Page 1

TERASEN GAS INC. - INLAND SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 FI.

Line No.	Particulars	Residential Rate 1	Commercial Rate 2	Commercial Rate 3	General Firm Service Rate 5	NGV Rate 6	(7)	Subtotal (8)	Seasonal Rate 4	Large Industrial Interruptible Sales Rate 7	Rate 14	Columbia (12)	Total Sales (13)	Total Sales LM & ING (14)
1	<b>SUMMARY</b>													
2														
3														
4	Sales Volume (TJ)	16,593.5	2,850.4	2,140.7	611.7	19.6	-	22,215.9	42.6	11.7	292.5	-	22,562.7	129,908.9
5														
6														
7	<b>Gas Purchase Costs (\$000)</b>													
8	Commodity Costs	\$ 131,639.4	\$ 22,612.7	\$ 16,982.3	\$ 4,852.7	\$ 155.5	\$ -	\$ 176,242.6	\$ 197.7	\$ 81.4	\$ -	\$ -	\$ 176,521.7	\$ 832,500.2
9	Commodity Tolls and Fees	0.0	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0	-	0.0	0.0
10	Fixed Costs	3,956.0	712.0	431.6	89.5	1.4	-	5,190.6	-	-	-	-	5,190.6	24,256.7
11	Total Commodity & Demand	135,595.4	23,324.7	17,413.9	4,942.3	156.9	-	181,433.2	197.7	81.4	0.0	-	181,712.3	856,756.9
12	Unamortized Deficit (Surplus)	(5,242.0)	(900.5)	(676.3)	(193.2)	(6.2)	-	(7,018.1)	(7.9)	-	-	-	(7,026.0)	(33,137.6)
13	Hedge Loss (Gain) - Variable Cost	4,378.4	752.1	564.8	161.4	5.2	-	5,861.9	6.6	-	-	-	5,868.5	27,678.3
14	Core Market Administrative Costs - Fixed Cost	99.7	18.0	10.9	2.3	0.0	-	130.9	-	-	-	-	130.9	611.5
15		\$ 134,831.5	\$ 23,194.3	\$ 17,313.4	\$ 4,912.7	\$ 155.9	\$ -	\$ 180,407.9	\$ 196.4	\$ 81.4	\$ 0.0	\$ -	\$ 180,685.7	\$ 851,909.1
16														
17														
18	<b>Unit Costs (\$/GJ)</b>													
19	Commodity Costs	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ -	\$ 7.9332	\$ 4.6404	\$ 6.9593	\$ -	\$ -	\$ 7.8236	\$ 6.4083
20	Commodity Tolls and Fees	0.0000	0.0000	0.0000	0.0000	0.0000	-	0.0000	-	0.0000	0.0000	-	0.0000	0.0000
21	Fixed Costs	0.2384	0.2498	0.2016	0.1464	0.0732	-	0.2336	-	-	-	-	0.2301	0.1867
22	Commodity & Demand / GJ	8.1716	8.1830	8.1348	8.0796	8.0064	-	8.1668	4.6404	6.9593	0.0000	-	8.0537	6.5951
23	Unamortized Deficit (Surplus)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	-	(0.3159)	(0.1848)	-	-	-	(0.3114)	(0.2551)
24	Hedge Loss (Gain) - Variable Cost	0.2639	0.2639	0.2639	0.2639	0.2639	-	0.2639	0.1543	-	-	-	0.2601	0.2131
25	Core Market Administrative Costs - Fixed Cost	0.0060	0.0063	0.0051	0.0037	0.0018	-	0.0059	-	-	-	-	0.0058	0.0047
26		\$ 8.1256	\$ 8.1372	\$ 8.0879	\$ 8.0312	\$ 7.9562	\$ -	\$ 8.1207	\$ 4.6100	\$ 6.9593	\$ 0.0000	\$ -	\$ 8.0082	\$ 6.5577
27									Tariff Equal To Rate 5	Fixed Price Option Equal To Rate 5				
28														
29	<b>AVERAGE COST OF GAS - \$/GJ</b>													
30	Forecast (CCRA with February 22, 2006 prices)	\$ 8.126	\$ 8.137	\$ 8.088	\$ 8.031	\$ 7.956		\$ 8.121	\$ 8.031	\$ 8.031				
31														
32	Approved CCRA Rates (January 1, 2006)	\$ 9.774	\$ 9.797	\$ 9.699	\$ 9.587	\$ 9.438		\$ 9.767	\$ 9.587	\$ 9.587				
33														
34	Cost of Gas Increase (Decrease)	\$ (1.648)	\$ (1.660)	\$ (1.611)	\$ (1.556)	\$ (1.482)		\$ (1.646)	\$ (1.556)	\$ (1.556)				
35														
36	Cost of Gas Percentage Increase (Decrease)	-16.86%	-16.94%	-16.61%	-16.23%	-15.70%		-16.85%	-16.23%	-16.23%				

Tab 2, Table A, Inland, Page 1.1

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TERASEN GAS INC. - COLUMBIA SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

TAB 2  
TABLE A  
COLUMBIA  
PAGE 1.2  
February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 FI.

Line No.	Particulars	Residential	Commercial			General Firm Service	NGV	Seasonal	Large Industrial Interruptible Sales			Total	Total Sales	
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Rate 4	Subtotal	Rate 7	(10)	(11)	(12)	Sales	LM, Inl & Col Serv. Areas
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>SUMMARY</b>													
2														
3														
4	Sales Volume (TJ)	1,699.2	568.1	249.4	55.5	-	-	2,572.2	-	-	-	-	2,572.2	132,481.1
5														
6														
7	<b>Gas Purchase Costs (\$000)</b>													
8	Commodity Costs	\$ 13,480.1	\$ 4,506.9	\$ 1,978.7	\$ 440.3	\$ -	\$ -	\$ 20,406.0	\$ -	\$ -	\$ -	\$ -	\$ 20,406.0	\$ 852,906.2
9	Commodity Tolls and Fees	0.0	0.0	0.0	0.0	-	-	0.0	-	-	-	-	0.0	0.0
10	Fixed Costs	405.1	141.9	50.3	8.1	-	-	605.4	-	-	-	-	605.4	24,862.1
11	Total Commodity & Demand	13,885.2	4,648.8	2,029.0	448.4	-	-	21,011.4	-	-	-	-	21,011.4	877,768.3
12	Unamortized Deficit (Surplus)	(536.8)	(179.5)	(78.8)	(17.5)	0.0	0.0	(812.6)	-	-	-	-	(812.6)	(33,950.2)
13	Hedge Loss (Gain) - Variable Cost	448.4	149.9	65.8	14.6	0.0	0.0	678.7	-	-	-	-	678.7	28,357.0
14	Core Market Administrative Costs - Fixed Cost	10.2	3.6	1.3	0.2	-	-	15.3	-	-	-	-	15.3	626.8
15		\$ 13,807.0	\$ 4,622.8	\$ 2,017.3	\$ 445.7	\$ -	\$ -	\$ 20,892.8	\$ -	\$ -	\$ -	\$ -	\$ 20,892.8	\$ 872,801.9
16														
17														
18	<b>Unit Costs (\$/GJ)</b>													
19	Commodity Costs	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ -	\$ 7.9332	\$ -	\$ -	\$ -	\$ -	\$ 7.9332	\$ 6.4379
20	Commodity Tolls and Fees	0.0000	0.0000	0.0000	0.0000	0.0000	-	0.0000	-	-	-	-	0.0000	0.0000
21	Fixed Costs	0.2384	0.2498	0.2016	0.1464	0.0732	-	0.2354	-	-	-	-	0.2354	0.1877
22	Commodity & Demand / GJ	8.1716	8.1830	8.1348	8.0796	8.0064	-	8.1686	-	-	-	-	8.1686	6.6256
23	Unamortized Deficit (Surplus)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	(0.3159)	-	(0.3159)	-	-	-	-	(0.3159)	(0.2563)
24	Hedge Loss (Gain) - Variable Cost	0.2639	0.2639	0.2639	0.2639	0.2639	-	0.2639	-	-	-	-	0.2639	0.2140
25	Core Market Administrative Costs - Fixed Cost	0.0060	0.0063	0.0051	0.0037	0.0018	-	0.0059	-	-	-	-	0.0059	0.0047
26		\$ 8.1256	\$ 8.1372	\$ 8.0879	\$ 8.0312	\$ 7.9562	\$ -	\$ 8.1225	\$ -	\$ -	\$ -	\$ -	\$ 8.1225	\$ 6.5881
27														
28														
29	<b>AVERAGE COST OF GAS - \$/GJ</b>													
30	Forecast (CCRA with February 22, 2006 prices)	\$ 8.126	\$ 8.137	\$ 8.088	\$ 8.031	\$ 7.956	\$ 8.031	\$ 8.122	\$ 8.031					
31														
32	Approved CCRA Rates (January 1, 2006)	\$ 9.774	\$ 9.797	\$ 9.699	\$ 9.587	\$ 9.438	\$ 9.587	\$ 9.769	\$ 9.587					
33														
34	Cost of Gas Increase (Decrease)	\$ (1.648)	\$ (1.660)	\$ (1.611)	\$ (1.556)	\$ (1.482)	\$ (1.556)	\$ (1.647)	\$ (1.556)					
35														
36	Cost of Gas Percentage Increase (Decrease)	-16.86%	-16.94%	-16.61%	-16.23%	-15.70%	-16.23%	-16.86%	-16.23%					

Tab 2, Table A, Columbia, Page 1.2

TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA  
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
 FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
 (\$000)

TAB 2  
 TABLE A  
 LOWER MAINLAND  
 PAGE 2

February 22, 2006 Forward Pricing  
 April 1, 2006 - March 31, 2007 FI.

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Line No.	Particulars	Residential Rate 1	Commercial		General Firm	NGV	Subtotal	Seasonal	Interruptible		Off-System Sales	Squamish	Burrard Thermal		Total Sales
			Rate 2	Rate 3	Service Rate 5	Rate 6		Rate 4	Rate 7	Rate 14 (Rate 10)			Firm	Interruptible	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	<b>VOLUME ALLOCATIONS - TJ</b>														
2	Gas Not Supplied via CCRA	\$0.0000 / GJ	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	1,487.5	23,131.3	(0.0)	-	-	24,618.8
3	Station #2 Winter	\$9.2927 / GJ	15,969.8	3,682.1	3,291.4	1,034.2	57.9	24,035.4				102.5	-	-	24,137.9
4	AECO Winter	\$9.5058 / GJ	3,397.0	783.2	700.1	220.0	12.3	5,112.7				21.8	-	-	5,134.5
5	Huntingdon Netback Winter	\$0.0000 / GJ	-	-	-	-	-	-				(0.0)	-	-	(0.0)
6	Huntingdon Winter	\$9.9263 / GJ	3,279.1	756.1	675.8	212.3	11.9	4,935.2	0.1			21.1	-	-	4,956.4
7	Station #2 Summer	\$6.8619 / GJ	23,201.4	5,349.5	4,781.9	1,502.5	84.1	34,919.3				148.9	-	-	35,068.2
8	AECO Summer	\$7.1279 / GJ	4,814.3	1,110.0	992.3	311.8	17.4	7,245.8				30.9	-	-	7,276.7
9	Huntingdon Netback Summer	\$4.2467 / GJ	3,996.4	921.5	823.7	258.8	14.5	6,014.9	77.8			25.7	-	-	6,118.3
10	Huntingdon Summer	\$7.3333 / GJ	22.9	5.3	4.7	1.5	0.1	34.5				0.1	-	-	34.6
11	On-System (Rate 7)	\$6.7789 / GJ	(27.5)	(6.3)	(5.7)	(1.8)	(0.1)	(41.4)	-	42.4	-	(0.2)	-	-	0.8
12	Total Marketable Gas	/ GJ	54,653.5	12,601.3	11,264.3	3,539.2	198.0	82,256.3	77.9	42.4	1,487.5	23,131.3	350.8	-	107,346.2
13	Fuel														
14	Station #2 to Huntingdon	\$7.8529 / GJ	1,173.2	270.5	241.8	76.0	4.3	1,765.8	1.7	0.9	0.0	0.0	7.5305	0.0	1,775.9
15	AECO to Huntingdon	\$7.8668 / GJ	82.0	18.9	16.9	5.3	0.3	123.4	0.1	0.1	0.0	0.0	0.5262	0.0	124.1
16															
17	Total Fuel	\$7.8538 / GJ	1,255.2	289.4	258.7	81.3	4.5	1,889.2	1.8	1.0	-	-	8.1	-	1,900.0
18															
19	Net Purchases Before UAF		55,908.7	12,890.7	11,523.0	3,620.5	202.5	84,145.5	79.7	43.4	1,487.5	23,131.3	358.9	-	109,246.2
20	Sales UAF														
21	Net purchase Requirements - TJ		55,908.7	12,890.7	11,523.0	3,620.5	202.5	84,145.5	79.7	43.4	1,487.5	23,131.3	358.9	-	109,246.2
22															
23	SALES VOLUMES - TJ		54,653.5	12,601.3	11,264.3	3,539.2	198.0	82,256.3	77.9	42.4	1,487.5	23,131.3	350.8	0.0	107,346.2
24														0.00%	
25															
26	<b>PURCHASES (Excluding Fuel) - TJ</b>		54,653.5	12,601.3	11,264.3	3,539.2	198.0	82,256.3	77.9	42.4	1,487.5	23,131.3	350.8	-	107,346.2
27	<b>COMMODITY COSTS (\$000)</b>														
28	Marketable Gas	\$ 423,718.4	\$ 97,695.6	\$ 87,330.1	\$ 27,438.8	\$ 1,535.1	\$ 637,717.9	\$ 331.4	\$ 287.4	\$ -	\$ -	\$ 2,719.7	\$ -	\$ -	\$ 641,056.5
29	Fuel	9,858.2	2,273.0	2,031.8	638.4	35.7	14,837.1	14.1	7.6	-	-	63.3	-	-	14,922.1
30															
31															
32	Total Commodity Costs - \$(000)	\$ 433,576.6	\$ 99,968.6	\$ 89,361.9	\$ 28,077.1	\$ 1,570.8	\$ 652,555.0	\$ 345.4	\$ 295.1	\$ -	\$ -	\$ 2,783.0	\$ -	\$ -	\$ 655,978.5
33	<b>COMMODITY COST PER GJ SOLD (\$/GJ)</b>	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 4.4344	\$ 6.9593	\$ -	\$ -	\$ 7.9333	\$ -	\$ 0.0000	\$ 6.1109
34	<b>COMMODITY TOLLS &amp; FEES (\$000)</b>														
35	<b>One Year Term Contracts</b>	/ GJ													
36	WEI Commodity Tolls / Fuel Gas	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ 0.0
37	<b>Seasonal (line 13)</b>	/ GJ													
38	Tolls/Fuel Gas / Storage Contracts														
39	<b>Withdrawal Charges From Storages</b>														
40	Costs	\$0.0000 / GJ x 1	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Fuel	/ GJ x 1	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Total Withdrawal Charges		-	-	-	-	-	-	-	-	-	-	-	-	-
43	TOTAL Commodity Tolls & Fees (\$000)	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ 0.0
44	<b>COMMODITY Tolls &amp; FEES PER GJ SOLD</b>	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ -	\$ 0.0000

Tab 2, Table A, Lower Mainland, Page 2

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TERASEN GAS INC. - INLAND SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

TAB 2  
TABLE A  
INLAND  
PAGE 2.1

February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 FI.

Line No.	Particulars		Residential	Commercial			General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales		Columbia	Total Sales	Total Sales	
			Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Rate 4		Rate 7	Rate 14	(13)		(14)		
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1	<b>VOLUME ALLOCATIONS - TJ</b>															
2	Gas Not Supplied via CCRA	\$0.0000 /GJ	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)	-	-	292.5	-	292.5	24,911.3	
3	Station #2 Winter	\$9.2927 /GJ	4,848.6	832.9	625.5	178.7	5.7	-	6,491.5	-	-	-	-	6,491.5	30,629.4	
4	AECO Winter	\$9.5058 /GJ	1,031.4	177.2	133.1	38.0	1.2	-	1,380.8	-	-	-	-	1,380.8	6,515.3	
5	Huntingdon Netback Winter	\$0.0000 /GJ	-	-	-	-	-	-	-	-	-	-	-	-	(0.0)	
6	Huntingdon Winter	\$9.9263 /GJ	995.6	171.0	128.4	36.7	1.2	-	1,332.9	1.6	-	-	-	1,334.5	6,290.9	
7	Station #2 Summer	\$6.8619 /GJ	7,044.2	1,210.0	908.8	259.7	8.3	-	9,431.0	-	-	-	-	9,431.0	44,499.2	
8	AECO Summer	\$7.1279 /GJ	1,461.7	251.1	188.6	53.9	1.7	-	1,957.0	-	-	-	-	1,957.0	9,233.7	
9	Huntingdon Netback Summer	\$4.2467 /GJ	1,213.4	208.4	156.5	44.7	1.4	-	1,624.5	41.0	-	-	-	1,665.5	7,783.8	
10	Huntingdon Summer	\$7.3333 /GJ	7.0	1.2	0.9	0.3	0.0	-	9.3	-	-	-	-	9.3	43.9	
11	On-System (Rate 7)	\$6.7789 /GJ	(8.4)	(1.4)	(1.1)	(0.3)	(0.0)	-	(11.2)	-	11.7	-	-	0.5	1.3	
12	Total Marketable Gas	\$0.0000 /GJ	16,593.5	2,850.4	2,140.7	611.7	19.6	-	22,215.9	42.6	11.7	292.5	-	22,562.7	129,908.9	
13	Fuel															
14	Station #2 to Huntingdon	\$7.8529 /GJ	356.2	61.2	46.0	13.1	0.4	-	476.9	0.9	0.3	-	0.0	478.1	2,253.9	
15	AECO to Huntingdon	\$7.8668 /GJ	24.9	4.3	3.2	0.9	0.0	-	33.3	0.1	0.0	-	0.0	33.4	157.5	
16																
17	Total Fuel	\$7.8538 /GJ	381.1	65.5	49.2	14.0	0.5	-	510.2	1.0	0.3	-	-	511.5	2,411.4	
18																
19	Net Purchases Before UAF		16,974.6	2,915.9	2,189.8	625.7	20.1	-	22,726.1	43.6	12.0	292.5	-	23,074.1	132,320.3	
20	Sales UAF															
21	Net purchase Requirements - TJ		16,974.6	2,915.9	2,189.8	625.7	20.1	-	22,726.1	43.6	12.0	292.5	-	23,074.1	132,320.3	
22																
23	SALES VOLUMES - TJ		16,593.5	2,850.4	2,140.7	611.7	19.6	-	22,215.9	42.6	11.7	292.5	-	22,562.7	129,908.9	
24																
25																
26	<b>PURCHASES (Excluding Fuel) - TJ</b>		16,593.5	2,850.4	2,140.7	611.7	19.6	-	22,215.9	42.6	11.7	292.5	-	22,562.7	129,908.9	
27	<b>COMMODITY COSTS (\$000)</b>															
28	Marketable Gas	\$	128,646.3	22,098.5	16,596.2	4,742.4	152.0	\$	172,235.4	\$	190.0	\$	79.3	\$	172,504.7	813,561.2
29	Fuel		2,993.1	514.1	386.1	110.3	3.5	-	4,007.2	7.7	2.1	-	-	4,017.0	18,939.1	
30																
31																
32	Total Commodity Costs - \$(000)		\$ 131,639.4	\$ 22,612.7	\$ 16,982.3	\$ 4,852.7	\$ 155.5	\$ -	\$ 176,242.6	\$ 197.7	\$ 81.4	\$ -	\$ -	\$ 176,521.7	\$ 832,500.2	
33	<b>COMMODITY COST PER GJ SOLD (\$/GJ)</b>		\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ 7.9332	\$ -	\$ 7.9332	\$ 4.6404	\$ 6.9593	\$ -	\$ -	\$ 7.8236	\$ 6.4083	
34	<b>COMMODITY TOLLS &amp; FEES (\$000)</b>															
35	<b>One Year Term Contracts</b>	/GJ														
36	WEI Commodity Tolls / Fuel Gas	\$	0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ 0.0	\$ 0.0	
37	<b>Seasonal (line 13)</b>	/GJ														
38	Tolls/Fuel Gas / Storage Contracts															
39	<b>Withdrawal Charges From Storages</b>															
40	Costs	\$0.0000	/GJ x 1													
41	Fuel	\$0.0000	/GJ x 1													
42	Total Withdrawal Charges															
43	TOTAL Commodity Tolls & Fees (\$000)		\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ -	\$ 0.0	\$ 0.0	
44	<b>COMMODITY Tolls &amp; FEES PER GJ SOLD</b>		\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ -	\$ 0.0000	\$ -	\$ 0.0000	\$ 0.0000	\$ -	\$ 0.0000	\$ 0.0000	

Tab 2, Table A, Inland, Page 2.1

**TERASEN GAS INC. - COLUMBIA SERVICE AREA**  
**LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA**  
**FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007**  
**(\$000)**

TAB 2  
 TABLE A  
 COLUMBIA  
 PAGE 2.2

February 22, 2006 Forward Pricing  
 April 1, 2006 - March 31, 2007 Fl.

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Line No.	Particulars	Residential Rate 1	Commercial		General Firm Service	NGV	Seasonal	Subtotal	Large Industrial Interruptible Sales		(11)	(12)	Total Sales	Total Sales
			Rate 2	Rate 3	Rate 5	Rate 6	Rate 4		Rate 7	(10)			Columbia	LM, Inl & Col Serv. Areas
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>VOLUME ALLOCATIONS - TJ</b>													
2	Gas Not Supplied via CCRA	\$0.0000 /GJ	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)	-	-	-	-	(0.0)	24,911.3
3	Station #2 Winter	\$9.2927 /GJ	496.5	166.0	72.9	16.2	-	751.6	-	-	-	-	751.6	31,381.0
4	AECO Winter	\$9.5058 /GJ	105.6	35.3	15.5	3.4	-	159.9	-	-	-	-	159.9	6,675.2
5	Huntingdon Netback Winter	\$0.0000 /GJ	-	-	-	-	-	-	-	-	-	-	-	-
6	Huntingdon Winter	\$9.9263 /GJ	101.9	34.1	15.0	3.3	-	154.3	-	-	-	-	154.3	6,445.2
7	Station #2 Summer	\$6.8619 /GJ	721.3	241.2	105.9	23.6	-	1,092.0	-	-	-	-	1,092.0	45,591.2
8	AECO Summer	\$7.1279 /GJ	149.7	50.0	22.0	4.9	-	226.6	-	-	-	-	226.6	9,460.2
9	Huntingdon Netback Summer	\$4.2467 /GJ	124.3	41.5	18.2	4.1	-	188.1	-	-	-	-	188.1	7,971.9
10	Huntingdon Summer	\$7.3333 /GJ	0.7	0.2	0.1	0.0	-	1.1	-	-	-	-	1.1	45.0
11	On-System (Rate 7)	\$6.7789 /GJ	(0.9)	(0.3)	(0.1)	(0.0)	-	(1.3)	-	-	-	-	(1.3)	(0.0)
12	Total Marketable Gas	\$0.0000 /GJ	<u>1,699.2</u>	<u>568.1</u>	<u>249.4</u>	<u>55.5</u>	-	<u>2,572.2</u>	-	-	-	-	<u>2,572.2</u>	<u>132,481.1</u>
13	Fuel													
14	Station #2 to Huntingdon	\$7.8529 /GJ	36.5	12.2	5.4	1.2	-	55.2	-	-	-	-	55.2	2,309.2
15	AECO to Huntingdon	\$7.8668 /GJ	2.5	0.9	0.4	0.1	-	3.9	-	-	-	-	3.9	161.4
16														0.0
17	Total Fuel	\$7.8538 /GJ	39.0	13.0	5.7	1.3	-	59.1	-	-	-	-	59.1	2,470.5
18														0.0
19	Net Purchases Before UAF		1,738.2	581.1	255.2	56.8	-	2,631.3	-	-	-	-	2,631.3	134,951.6
20	Sales UAF													
21	Net purchase Requirements - TJ		<u>1,738.2</u>	<u>581.1</u>	<u>255.2</u>	<u>56.8</u>	-	<u>2,631.3</u>	-	-	-	-	<u>2,631.3</u>	<u>134,951.6</u>
22														
23	SALES VOLUMES - TJ		1,699.2	568.1	249.4	55.5	-	2,572.2	-	-	-	-	2,572.2	132,481.1
24														
25	/GJ		-	-	-	-	-	-	-	-	-	-	-	-
26	<b>PURCHASES (Excluding Fuel) - TJ</b>		<u>1,699.2</u>	<u>568.1</u>	<u>249.4</u>	<u>55.5</u>	-	<u>2,572.2</u>	-	-	-	-	<u>2,572.2</u>	
27	<b>COMMODITY COSTS (\$000)</b>													
28	Marketable Gas	\$ 13,173.6	\$ 4,404.4	\$ 1,933.8	\$ 430.3	\$ -	\$ -	19,942.0	\$ -	\$ -	\$ -	\$ -	\$19,942.0	833,503.2
29	Fuel	306.5	102.5	45.0	10.0	-	-	464.0	-	-	-	-	464.0	19,403.0
30														
31														
32	Total Commodity Costs - \$(000)		<u>\$ 13,480.1</u>	<u>\$ 4,506.9</u>	<u>\$ 1,978.7</u>	<u>\$ 440.3</u>	<u>\$ -</u>	<u>\$ 20,406.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,406.0</u>	<u>\$ 852,906.2</u>
33	<b>COMMODITY COST PER GJ SOLD (\$/GJ)</b>		<u>\$ 7.9332</u>	<u>\$ 7.9332</u>	<u>\$ 7.9332</u>	<u>\$ 7.9332</u>	<u>\$ -</u>	<u>\$ 7.9332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7.9332</u>	<u>\$ 6.4379</u>
34	<b>COMMODITY TOLLS &amp; FEES (\$000)</b>													
35	<b>One Year Term Contracts</b>													
36	WEI Commodity Tolls / Fuel Gas	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ -	\$ 0.0	\$ -	\$ -	\$ -	\$ -	\$ 0.0	0.0
37	<b>Seasonal (line 13)</b>													
38	Tolls/Fuel Gas / Storage Contracts													
39	<b>Withdrawal Charges From Storages</b>													
40	Costs	\$0.0000	-	-	-	-	-	-	-	-	-	-	-	0.0
41	Fuel	\$0.0000	-	-	-	-	-	-	-	-	-	-	-	-
42	Total Withdrawal Charges		-	-	-	-	-	-	-	-	-	-	-	-
43	TOTAL Commodity Tolls & Fees (\$000)		<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ -</u>	<u>\$ 0.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
44	<b>COMMODITY Tolls &amp; FEES PER GJ SOLD</b>		<u>\$ 0.0000</u>	<u>\$ 0.0000</u>	<u>\$ 0.0000</u>	<u>\$ 0.0000</u>	<u>\$ -</u>	<u>\$ 0.0000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.0000</u>	<u>\$ 0.0000</u>

Tab 2, Table A, Columbia, Page 2.2

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TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCR/  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

TAB 2  
TABLE A  
LOWER MAINLAND  
PAGE 3

February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 FI.

Line No.	Particulars	General Firm						Subtotal	Seasonal Rate 4 (8)	Interruptible			Off-System Sales (11) (12)	Squamish (13)	Burrard Thermal		Total Sales (16)
		Residential Rate 1 (2)	Commercial Rate 2 (3)	Commercial Rate 3 (4)	Service Rate 5 (5)	NGV Rate 6 (6)	Rate 7 (9)			Rate 14 (Rate 10) (10)	Firm (14)	Interruptible (15)					
1	<b>PURCHASE VOLUMES - TJ</b>																
2	Load Factors																
	2005 Traditional	54,653.5	12,601.3	11,264.3	3,539.2	198.0	82,256.3	77.9	42.4	1,487.5	23,131.3	-	350.8	-	-	-	107,346.2
3	Avg Heat- WEI/US/NOVA	30.7%	29.3%	36.3%	50.0%	100.0%		N/A	N/A	N/A	N/A		30.30%	N/A	N/A		
4	Total Gas Demand Requirement - 103m3/day	12,785.6	3,088.8	2,228.6	508.4	14.2	18,625.6						83.1				18,708.7
5	<b>FIXED COSTS</b>																
6	<b>Pipeline Demand Charges for One Year Term</b>																
7	WEI Demand Tolls to Savona and Incremental to Huntingdon																
8	To Savona - 978 @	\$0.00 /10 <sup>3</sup> m <sup>3</sup>	\$ 4,475.2	\$ 1,081.1	\$ 780.1	\$ 177.9	\$ 5.0	\$ 6,519.3					\$ 29.1				6,548.4
9	WEI Demand Toll to Huntingdon	\$0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	T-S Demand - \$/103m3	\$ - /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	NOVA, ANG, Alberta Synthetic and HIPCO/SIPI Demand Tolls																
12	NOVA - 1 x 900 @	\$0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	ANG - 900 @	\$0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Alberta Synthetic - 900 @	/10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	HIPCO/SIPI - 260 @	\$0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Total One Year Term Pipeline Demand Charges	\$ 4,475.2	\$ 1,081.1	\$ 780.1	\$ 177.9	\$ 5.0	\$ 6,519.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29.1	\$ -	\$ -	\$ -	\$ 6,548.4
17	\$/GJ equivalent	\$ 0.0819	\$ 0.0858	\$ 0.0693	\$ 0.0503	\$ 0.0251	\$ 0.0793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0830	\$ -	\$ -	\$ -	\$ 0.0610
18	WEI Demand \$/GJ equivalent	\$ 0.0819	\$ 0.0858	\$ 0.0693													
19	<b>Supplier Reservation Fees</b>																
	Station #2																
20	Huntingdon	\$ 995.7	\$ 240.5	\$ 173.6	\$ 39.6	\$ 1.1	\$ 1,450.4	-	-	-	-	-	6.5	-	-	-	\$ 1,456.9
21	\$/GJ equivalent	\$ 7,558.9	\$ 1,826.1	\$ 1,317.6	\$ 300.5	\$ 8.4	\$ 11,011.6	-	-	-	-	-	49.2	-	-	-	\$ 11,060.8
22	<b>VIA/Release/Off-System/Inter.Credits</b>																
23	\$/GJ equivalent	\$ 0.1565	\$ 0.1640	\$ 0.1324	\$ 0.0961	\$ 0.0481	\$ 0.1515	-	-	-	-	-	0.1586	-	-	-	0.1166
24	<b>Seasonal</b>																
25	- WEI,Nova/ANG,US Demand Tolls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	\$/GJ equivalent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	- Other Fixed Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	\$/GJ equivalent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	<b>Seasonal Credits</b>																
30	\$/GJ equivalent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Storage Fixed Costs</b>																
32	Jackson Prairie Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Aitken Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Carbon (Alberta) Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Clay Basin Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Mist Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Southern California Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Total Storage Fixed Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-
39	\$/GJ equivalent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	<b>TOTAL FIXED COSTS</b>	\$ 13,029.8	\$ 3,147.8	\$ 2,271.2	\$ 518.1	\$ 14.5	\$ 18,981.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84.7	\$ -	\$ -	\$ -	\$ 19,066.1
41	\$/GJ Equivalent	\$ 0.2384	\$ 0.2498	\$ 0.2016	\$ 0.1464	\$ 0.0732	\$ 0.2308	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.2416	\$ -	\$ -	\$ -	\$ 0.1776

Tab 2, Table A, Lower Mainland, Page 3



TERASEN GAS INC. - INLAND SERVICE AREA  
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
 FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
 (\$000)

TAB 2  
 TABLE A  
 INLAND  
 PAGE 3.1  
 February 22, 2006 Forward Pricing  
 April 1, 2006 - March 31, 2007 FI.

06-03-07  
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Line No.	Particulars	Residential		Commercial			General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales		Columbia	Total Sales	Total Sales LM & ING
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Rate 4	Rate 7		Rate 14	(13)	(14)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1	<b>PURCHASE VOLUMES - TJ</b>														
2	Load Factors	16,593.5	2,850.4	2,140.7	611.7	19.6	-	22,215.9	42.6	11.7	292.5	-	22,562.7	129,908.9	
3	Avg Heat- WEI/US/NOVA	30.7%	29.3%	36.3%	50.0%	100.0%	0.0%		N/A	N/A	N/A	N/A			
4	Total Gas Demand Requirement - 103m3/day														
5	<b>FIXED COSTS</b>														
6	<b>Pipeline Demand Charges for One Year Term</b>														
7	WEI Demand Tolls to Savona and Incremental to Huntingdon														
8	To Savona - 978 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	\$ 1,358.7	\$ 244.6	\$ 148.2	\$ 30.8	\$ 0.5	\$ -	\$ 1,782.8	\$ -	\$ -	\$ -	\$ 1,782.8	\$ 8,331.2	
9	WEI Demand Toll to Huntingdon	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
10	T-S Demand - \$/103m3	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
11	NOVA, ANG, Alberta Synthetic and HIPCO/SIPI Demand Tolls														
12	NOVA - 1 x 900 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
13	ANG - 900 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
14	Alberta Synthetic - 900 @	/10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
15	HIPCO/SIPI - 260 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	
16	Total One Year Term Pipeline Demand Charges		\$ 1,358.7	\$ 244.6	\$ 148.2	\$ 30.8	\$ 0.5	\$ -	\$ 1,782.8	\$ -	\$ -	\$ -	\$ 1,782.8	\$ 8,331.2	
17	\$/GJ equivalent		\$ 0.0819	\$ 0.0858	\$ 0.0693	\$ 0.0503	\$ 0.0251	\$ -	\$ 0.0802	\$ -	\$ -	\$ -	\$ 0.0790	\$ 0.0641	
18	WEI Demand \$/GJ equivalent		\$ 0.0819	\$ 0.0858	\$ 0.0693										
19	<b>Supplier Reservation Fees</b>														
20	Station #2		\$ 302.3	\$ 54.4	\$ 33.0	\$ 6.8	\$ 0.1	\$ -	396.6	-	-	-	396.6	\$ 1,853.5	
21	Huntingdon /10 <sup>3</sup> m <sup>3</sup>		\$ 2,295.0	\$ 413.1	\$ 250.4	\$ 51.9	\$ 0.8	\$ -	3,011.2	-	-	-	3,011.2	\$ 14,072.0	
22	\$/GJ equivalent		0.1565	0.1640	0.1324	0.0961	0.0481	-	0.1534	-	-	-	0.1510	0.1226	
23	<b>VIA/Release/Off-System/Inter.Credits</b>														
24	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-	
25	<b>Seasonal</b>														
26	- WEI,Nova/ANG,US Demand Tolls		-	-	-	-	-	-	-	-	-	-	-	-	
27	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-	
28	- Other Fixed Costs		-	-	-	-	-	-	-	-	-	-	-	-	
29	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-	
30	<b>Seasonal Credits</b>														
31	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-	
32	<b>Storage Fixed Costs</b>														
33	Jackson Prairie Storage		-	-	-	-	-	-	-	-	-	-	-	-	
34	Aitken Storage		-	-	-	-	-	-	-	-	-	-	-	-	
35	Carbon (Alberta) Storage		-	-	-	-	-	-	-	-	-	-	-	-	
36	Clay Basin Storage		-	-	-	-	-	-	-	-	-	-	-	-	
37	Mist Storage		-	-	-	-	-	-	-	-	-	-	-	-	
38	Southern California Storage		-	-	-	-	-	-	-	-	-	-	-	-	
39	Total Storage Fixed Costs		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
40	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-	
41	<b>TOTAL FIXED COSTS</b>		\$ 3,956.0	\$ 712.0	\$ 431.6	\$ 89.5	\$ 1.4	\$ -	\$ 5,190.6	\$ -	\$ -	\$ -	\$ 5,190.6	\$ 24,256.7	
42	\$/GJ Equivalent		\$ 0.2384	\$ 0.2498	\$ 0.2016	\$ 0.1464	\$ 0.0732	\$ -	\$ 0.2336	\$ -	\$ -	\$ -	\$ 0.2301	\$ 0.1867	

Tab 2, Table A, Inland, Page 3.1

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TERASEN GAS INC. - COLUMBIA SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA  
FORECAST FOR THE 12 MONTHS ENDING MARCH 31, 2007  
(\$000)

TAB 2  
TABLE A  
COLUMBIA  
PAGE 3.2

February 22, 2006 Forward Pricing  
April 1, 2006 - March 31, 2007 Ft.

Line No.	Particulars	General Firm Service											Total Sales (13)	LM, Ini & Col Serv. Areas (14)
		Residential Rate 1 (2)	Commercial Rate 2 (3)	Commercial Rate 3 (4)	Commercial Rate 4 (5)	Commercial Rate 5 (6)	Commercial Rate 6 (7)	Commercial Rate 7 (8)	Commercial Rate 8 (9)	Commercial Rate 9 (10)	Commercial Rate 10 (11)	Commercial Rate 11 (12)		
1	<b>PURCHASE VOLUMES - TJ</b>	1,699.2	568.1	249.4	55.5	-	-	2,572.2	-	-	-	-	2,572.2	132,481.1
2	Load Factors	30.7%	29.3%	36.3%	50.0%	100.0%	0.0%		N/A	N/A	N/A	N/A		
3	Avg Heat- WEI/US/NOVA													
4	Total Gas Demand Requirement - 103m3/day													
5	<b>FIXED COSTS</b>													
6	<b>Pipeline Demand Charges for One Year Term</b>													
7	WEI Demand Tolls to Savona and Incremental to Huntingdon													
8	To Savona - 978 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	\$ 139.1	\$ 48.7	\$ 17.3	\$ 2.8	\$ -	\$ 207.9	\$ -	\$ -	\$ -	\$ -	\$ 207.9	8,539.1
9	WEI Demand Toll to Huntingdon	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
10	T-S Demand - \$/103m3	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
11	NOVA, ANG, Alberta Synthetic and HIPCO/SIPI Demand Tolls													
12	NOVA - 1 x 900 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
13	ANG - 900 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
14	Alberta Synthetic - 900 @	/10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
15	HIPCO/SIPI - 260 @	0.00 /10 <sup>3</sup> m <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
16	Total One Year Term Pipeline Demand Charges		\$ 139.1	\$ 48.7	\$ 17.3	\$ 2.8	\$ -	\$ 207.9	\$ -	\$ -	\$ -	\$ -	\$ 207.9	8,539.1
17	\$/GJ equivalent		\$ 0.0819	\$ 0.0858	\$ 0.0693	\$ 0.0503	\$ -	\$ 0.0808	\$ -	\$ -	\$ -	\$ -	\$ 0.0808	0.0645
18	WEI Demand \$/GJ equivalent		\$ 0.0819	\$ 0.0858	\$ 0.0693									
19	<b>Supplier Reservation Fees</b>													
20	Station #2		\$ 31.0	\$ 10.8	\$ 3.8	\$ 0.6	\$ -	\$ 46.3	-	-	-	-	46.3	1,899.8
21	Huntingdon /10 <sup>3</sup> m <sup>3</sup>		\$ 235.0	\$ 82.3	\$ 29.2	\$ 4.7	\$ -	\$ 351.2	-	-	-	-	351.2	14,423.2
22	\$/GJ equivalent		0.1565	0.1640	0.1324	0.0961	-	0.1545	-	-	-	-	0.1545	0.1232
23	<b>VIA/Release/Off-System/Inter.Credits</b>		-	-	-	-	-	-	-	-	-	-	-	-
24	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-
25	<b>Seasonal</b>													
26	- WEI,Nova/ANG,US Demand Tolls		-	-	-	-	-	-	-	-	-	-	-	-
27	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-
28	- Other Fixed Costs		-	-	-	-	-	-	-	-	-	-	-	-
29	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-
30	<b>Seasonal Credits</b>		-	-	-	-	-	-	-	-	-	-	-	-
31	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Storage Fixed Costs</b>													
33	Jackson Prairie Storage		-	-	-	-	-	-	-	-	-	-	-	-
34	Aitken Storage		-	-	-	-	-	-	-	-	-	-	-	-
35	Carbon (Alberta) Storage		-	-	-	-	-	-	-	-	-	-	-	-
36	Clay Basin Storage		-	-	-	-	-	-	-	-	-	-	-	-
37	Mist Storage		-	-	-	-	-	-	-	-	-	-	-	-
38	Southern California Storage		-	-	-	-	-	-	-	-	-	-	-	-
39	Total Storage Fixed Costs		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
40	\$/GJ equivalent		-	-	-	-	-	-	-	-	-	-	-	-
41	<b>TOTAL FIXED COSTS</b>		\$ 405.1	\$ 141.9	\$ 50.3	\$ 8.1	\$ -	\$ 605.4	\$ -	\$ -	\$ -	\$ -	\$ 605.4	24,862.1
42	\$/GJ Equivalent		\$ 0.2384	\$ 0.2498	\$ 0.2016	\$ 0.1464	\$ -	\$ 0.2354	\$ -	\$ -	\$ -	\$ -	\$ 0.2354	0.1877

Tab 2, Table A, Columbia, Page 3.2

**TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS**  
**BCUC CCRA/MCRA GAS COST GUIDELINES**  
**CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)**  
**(\$ Millions)**  
**February 22, 2006 Forward Curve**

Line No.	Particulars	Recorded Previous Qtr (1*) Oct-Dec	2006 Rec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	Forec Sep	Forec Oct	Forec Nov	2006 Forec Dec	2007 Forec Jan	Forec Feb	2007 Forec Mar	Total Apr-Mar
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	<b>CCRA Forecast (at proposed rates)</b>																	
2																		
3	CCRA Balance, Beginning - Pre-Tax	\$ (7)	\$ 1	\$ 2	\$ (13)	\$ (34)	\$ (41)	\$ (49)	\$ (55)	\$ (61)	\$ (66)	\$ (71)	\$ (75)	\$ (68)	\$ (54)	\$ (35)	\$ (17)	\$ (34)
4																		
5	Gas Costs Incurred (Incl. Hedging, etc.)	275	93	65	67	64	67	66	68	69	67	70	79	89	93	84	92	907
6																		
7	Revenue From Commodity Cost Recovery Rates	(267)	(92)	(79)	(88)	(72)	(74)	(72)	(74)	(74)	(72)	(74)	(72)	(74)	(74)	(67)	(74)	(873)
8																		
9	CCRA Balance, Ending - Pre-Tax	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ (13)</u>	<u>\$ (34)</u>	<u>\$ (41)</u>	<u>\$ (49)</u>	<u>\$ (55)</u>	<u>\$ (61)</u>	<u>\$ (66)</u>	<u>\$ (71)</u>	<u>\$ (75)</u>	<u>\$ (68)</u>	<u>\$ (54)</u>	<u>\$ (35)</u>	<u>\$ (17)</u>	<u>\$ 0</u>	<u>\$ 0</u>
10																		
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (8)</u>	<u>\$ (23)</u>	<u>\$ (28)</u>	<u>\$ (33)</u>	<u>\$ (37)</u>	<u>\$ (41)</u>	<u>\$ (44)</u>	<u>\$ (48)</u>	<u>\$ (51)</u>	<u>\$ (46)</u>	<u>\$ (36)</u>	<u>\$ (23)</u>	<u>\$ (12)</u>	<u>\$ 0</u>	<u>\$ 0</u>
12																		
13	<b>MCRA Forecast (at existing rates)</b>																	
14																		
15	MCRA Balance, Beginning <sup>(1*)</sup>	\$ (33)	\$ (40)	\$ (19)	\$ (35)	\$ (38)	\$ (31)	\$ (19)	\$ (7)	\$ 5	\$ 16	\$ 27	\$ 35	\$ 37	\$ 43	\$ 38	\$ 37	\$ (38)
16																		
17	Gas Costs Incurred (Incl. Hedging, etc.)	329	119	62	52	10	-8	-17	-18	-20	-11	10	58	84	92	79	57	317
18																		
19	Revenue From Commodity Cost Recovery Rates	-336	-97	-78	-55	-3	20	29	29	31	21	-2	-56	-78	-96	-79	-62	(246)
20																		
21	MCRA Balance, Ending - Pre-Tax	<u>\$ (40)</u>	<u>\$ (19)</u>	<u>\$ (35)</u>	<u>\$ (38)</u>	<u>\$ (31)</u>	<u>\$ (19)</u>	<u>\$ (7)</u>	<u>\$ 5</u>	<u>\$ 16</u>	<u>\$ 27</u>	<u>\$ 35</u>	<u>\$ 37</u>	<u>\$ 43</u>	<u>\$ 38</u>	<u>\$ 37</u>	<u>\$ 32</u>	<u>\$ 32</u>
22																		
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (27)</u>	<u>\$ (12)</u>	<u>\$ (23)</u>	<u>\$ (25)</u>	<u>\$ (20)</u>	<u>\$ (13)</u>	<u>\$ (4)</u>	<u>\$ 3</u>	<u>\$ 11</u>	<u>\$ 18</u>	<u>\$ 24</u>	<u>\$ 25</u>	<u>\$ 29</u>	<u>\$ 26</u>	<u>\$ 25</u>	<u>\$ 22</u>	<u>\$ 22</u>
24																		
25	<b>Combined CCRA and MCRA Forecast (at proposed rates)</b>																	
26																		
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (40)	\$ (39)	\$ (17)	\$ (48)	\$ (72)	\$ (72)	\$ (68)	\$ (62)	\$ (56)	\$ (50)	\$ (44)	\$ (41)	\$ (31)	\$ (11)	\$ 4	\$ 20	\$ (72)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	604	212	127	119	75	58	49	51	49	56	79	137	173	185	163	149	1,223
30																		
31	Revenue From Commodity Cost Recovery Rates	(603)	(190)	(157)	(143)	(75)	(54)	(42)	(45)	(43)	(50)	(76)	(128)	(152)	(171)	(146)	(136)	(1,119)
32																		
33	Combined Balance, Ending - Pre-Tax	<u>\$ (39)</u>	<u>\$ (17)</u>	<u>\$ (48)</u>	<u>\$ (72)</u>	<u>\$ (72)</u>	<u>\$ (68)</u>	<u>\$ (62)</u>	<u>\$ (56)</u>	<u>\$ (50)</u>	<u>\$ (44)</u>	<u>\$ (41)</u>	<u>\$ (31)</u>	<u>\$ (11)</u>	<u>\$ 4</u>	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 32</u>
34																		
35	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (26)</u>	<u>\$ (11)</u>	<u>\$ (32)</u>	<u>\$ (48)</u>	<u>\$ (48)</u>	<u>\$ (45)</u>	<u>\$ (41)</u>	<u>\$ (37)</u>	<u>\$ (33)</u>	<u>\$ (29)</u>	<u>\$ (27)</u>	<u>\$ (21)</u>	<u>\$ (7)</u>	<u>\$ 3</u>	<u>\$ 14</u>	<u>\$ 22</u>	<u>\$ 22</u>

Notes: Slight differences in totals due to rounding.  
 (1\*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts.  
 (2\*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

**TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS**  
**CCRA AND MCRA GROSSED-UP AND AFTER TAX BALANCES<sup>(1)</sup>**  
**FOR THE MONTHS RECORDED TO JANUARY 31, 2006,**  
**AND ESTIMATE TO MARCH 31, 2007**

Line No.	Particulars	CCRA Balances - \$(Millions)			MCRA Balances - \$(Millions) (*3)			Combined Balances - \$(Millions)		
		April 1, 2006 (Feb 22, 2006 Forward Prices) At Apr 1, 2006 CCRA Proposed Rates Recorded Cost to January 31, 2006			Jan 1, 2006 (Nov 22, 2005 Forward Prices) At Jan 1, 2006 MCRA Approved Rates Recorded Cost to January 31, 2006			Apr 1, 2006 (Feb 22, 2006 Forward Prices) Recorded Cost to January 31, 2006		
		Grossed-up (*2)	Tax (*2)	After Tax	Grossed-up (*2)	Tax (*2)	After Tax	Grossed-up (*2)	Tax (*2)	After Tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Oct 2005	\$ (8)	\$ (3)	\$ (5)	\$ (38)	\$ (13)	\$ (25)	\$ (46)	\$ (16)	\$ (30)
2	Nov	\$ -	\$ -	\$ -	\$ (37)	\$ (13)	\$ (25)	\$ (37)	\$ (13)	\$ (25)
3	Dec 2005	\$ 1	\$ 0	\$ 1	\$ (40)	\$ (14)	\$ (27)	\$ (39)	\$ (13)	\$ (26)
4	Jan 2006 <i>Recorded</i>	\$ 2	\$ 1	\$ 1	\$ (19)	\$ (6)	\$ (12)	\$ (17)	\$ (5)	\$ (11)
5	Feb	\$ (13)	\$ (4)	\$ (8)	\$ (35)	\$ (12)	\$ (23)	\$ (48)	\$ (16)	\$ (32)
6	Mar	\$ (34)	\$ (11)	\$ (23)	\$ (38)	\$ (13)	\$ (25)	\$ (72)	\$ (24)	\$ (48)
7	Apr	\$ (41)	\$ (14)	\$ (28)	\$ (31)	\$ (11)	\$ (20)	\$ (72)	\$ (24)	\$ (48)
8	May	\$ (49)	\$ (16)	\$ (33)	\$ (19)	\$ (6)	\$ (13)	\$ (68)	\$ (23)	\$ (45)
9	Jun	\$ (55)	\$ (18)	\$ (37)	\$ (7)	\$ (2)	\$ (4)	\$ (62)	\$ (21)	\$ (41)
10	Jul	\$ (61)	\$ (20)	\$ (41)	\$ 5	\$ 2	\$ 3	\$ (56)	\$ (18)	\$ (37)
11	Aug	\$ (66)	\$ (22)	\$ (44)	\$ 16	\$ 5	\$ 11	\$ (50)	\$ (16)	\$ (33)
12	Sep	\$ (71)	\$ (23)	\$ (48)	\$ 27	\$ 9	\$ 18	\$ (44)	\$ (14)	\$ (29)
13	Oct	\$ (75)	\$ (25)	\$ (51)	\$ 35	\$ 11	\$ 24	\$ (41)	\$ (14)	\$ (27)
14	Nov	\$ (68)	\$ (23)	\$ (46)	\$ 37	\$ 12	\$ 25	\$ (31)	\$ (10)	\$ (21)
15	Dec 2006	\$ (54)	\$ (18)	\$ (36)	\$ 43	\$ 14	\$ 29	\$ (11)	\$ (4)	\$ (7)
16	Jan 2007	\$ (35)	\$ (11)	\$ (23)	\$ 38	\$ 13	\$ 26	\$ 4	\$ 1	\$ 3
17	Feb	\$ (17)	\$ (6)	\$ (12)	\$ 37	\$ 12	\$ 25	\$ 20	\$ 7	\$ 14
18	Mar 2007	\$ 0	\$ 0	\$ 0	\$ 32	\$ 11	\$ 22	\$ 32	\$ 11	\$ 22

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Tax Rate:

in 2005 33.75%

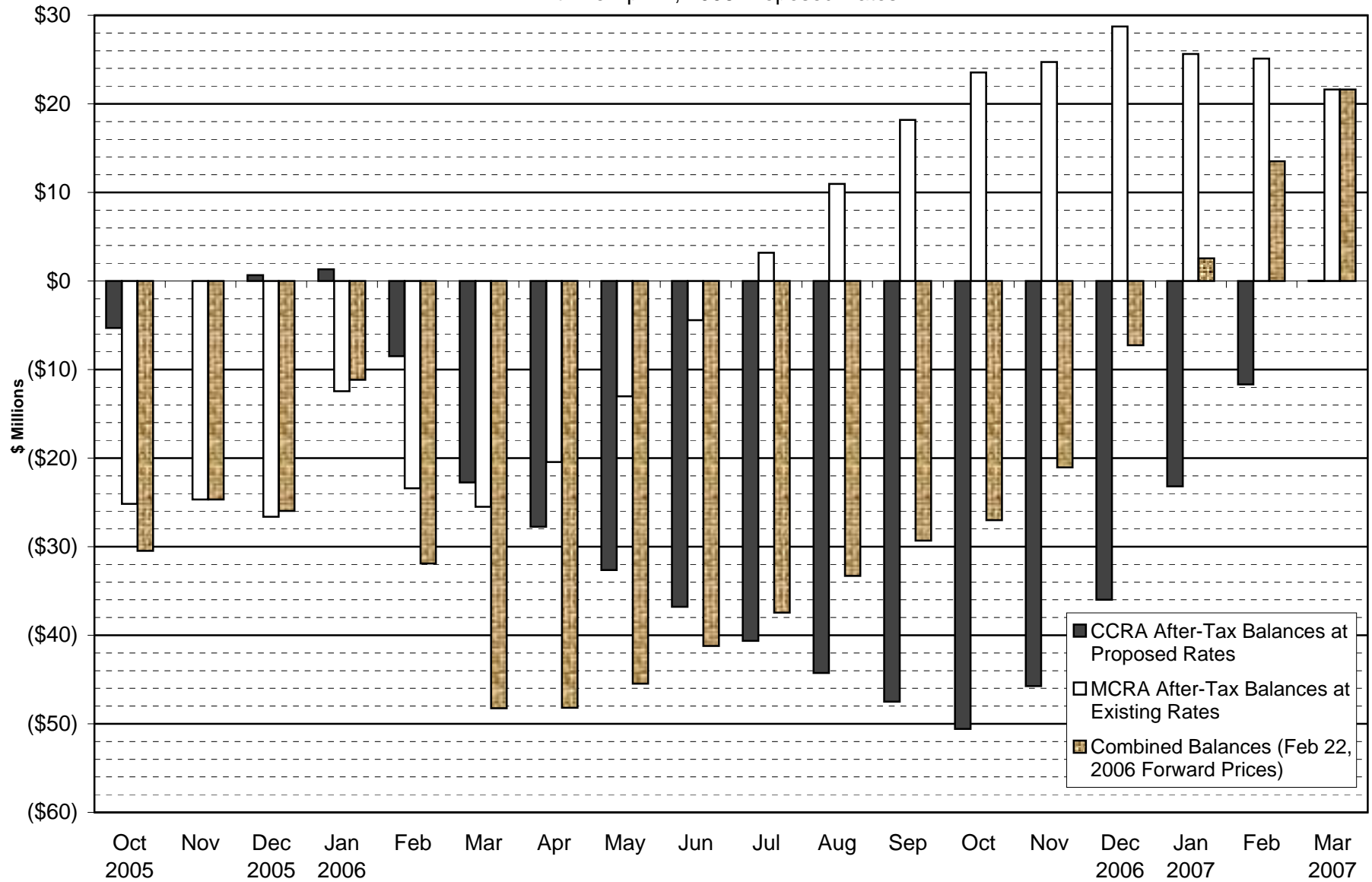
in 2006 33.00%

Notes: (\*1) Slight differences in totals due to rounding.

(\*2) For rate setting purposes, the CCRA/MCRA after-tax balances are independently grossed-up to reflect pre-tax amounts.

(\*3) Balances include the amortization of prior year estimated MCRA year end credit balance of \$68 million as sent with a letter of revisions to the Commission on December 7, 2006. The MCRA amortization through Rider 6 as set in the tariffs is for the period from January 1, 2006 to December 31, 2006.

Terasen Gas Inc.  
 Lower Mainland, Inland and Columbia CCRA and MCRA Month-end Balances (After-Tax)  
 Recorded to January 31, 2006 and Estimate to March 31, 2007  
 At The April 1, 2006 Proposed Rates



**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
PAGE 1  
RESIDENTIAL

**RATE SCHEDULE 1 - RESIDENTIAL SERVICE**

Line No.	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/Decrease		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
<b>1 LOWER MAINLAND SERVICE AREA</b>									
2 <u>Delivery Margin Related Charges</u>									
3 Basic Charge	12 months x	\$11.12	\$133.44	12 months x	\$11.12	\$133.44	\$0.00	\$0.00	0.00%
4									
5 Delivery Charge	110.0 GJ x	\$2.781	305.91	110.0 GJ x	\$2.781	305.91	\$0.000	0.00	0.00%
6 Riders : 2 Reserved for Future Use	110.0 GJ x	\$0.000	0.00	110.0 GJ x	\$0.000	0.00	\$0.000	0.00	0.00%
7 3 ESM	110.0 GJ x	(\$0.063)	-6.93	110.0 GJ x	(\$0.063)	-6.93	\$0.000	0.00	0.00%
8 5 RSAM	110.0 GJ x	\$0.166	18.26	110.0 GJ x	\$0.166	18.26	\$0.000	0.00	0.00%
9 Subtotal Delivery Margin Related Charges			<u>\$450.68</u>			<u>\$450.68</u>		<u>\$0.00</u>	0.00%
10									
11 <u>Recovery Charges</u>									
12 Commodity Cost Recovery Charge	110.0 GJ x	\$9.774	\$1,075.14	110.0 GJ x	\$8.126	\$893.86	(\$1.648)	(\$181.28)	-11.87%
13 Midstream Cost Recovery Charge	110.0 GJ x	\$0.613	67.43	110.0 GJ x	\$0.613	67.43	\$0.000	0.00	0.00%
14 Riders : 6 MCRA	110.0 GJ x	(\$0.606)	(66.66)	110.0 GJ x	(\$0.606)	-66.66	\$0.000	0.00	0.00%
15 9 Stable Rate Recovery	110.0 GJ x	\$0.004	0.44	110.0 GJ x	\$0.004	0.44	\$0.000	0.00	0.00%
16 Subtotal Commodity Related Charges			<u>\$1,076.35</u>			<u>\$895.07</u>		<u>(\$181.28)</u>	-11.87%
17									
18 Total	<u>110.0</u>	<u>\$13.882</u>	<u>\$1,527.03</u>	<u>110.0</u>	<u>\$12.234</u>	<u>\$1,345.75</u>	<u>(\$1.648)</u>	<u>(\$181.28)</u>	-11.87%
19									
<b>20 INLAND SERVICE AREA</b>									
21 <u>Delivery Margin Related Charges</u>									
22 Basic Charge	12 months x	\$11.12	\$133.44	12 months x	\$11.12	\$133.44	\$0.000	\$0.00	0.00%
23									
24 Delivery Charge	95.0 GJ x	\$2.781	264.20	95.0 GJ x	\$2.781	264.20	\$0.000	0.00	0.00%
25 Riders : 2 Reserved for Future Use	95.0 GJ x	\$0.000	0.00	95.0 GJ x	\$0.000	0.00	\$0.000	0.00	0.00%
26 3 ESM	95.0 GJ x	(\$0.063)	-5.99	95.0 GJ x	(\$0.063)	-5.99	\$0.000	0.00	0.00%
27 5 RSAM	95.0 GJ x	\$0.166	15.77	95.0 GJ x	\$0.166	15.77	\$0.000	0.00	0.00%
28 Subtotal Delivery Margin Related Charges			<u>\$407.42</u>			<u>\$407.42</u>		<u>\$0.00</u>	0.00%
29									
30 <u>Recovery Charges</u>									
31 Commodity Cost Recovery Charge	95.0 GJ x	\$9.774	\$928.53	95.0 GJ x	\$8.126	\$771.97	(\$1.648)	(\$156.56)	-11.76%
32 Midstream Cost Recovery Charge	95.0 GJ x	\$0.556	52.82	95.0 GJ x	\$0.556	52.82	\$0.000	0.00	0.00%
33 Riders : 6 MCRA	95.0 GJ x	(\$0.606)	(57.57)	95.0 GJ x	(\$0.606)	-57.57	\$0.000	0.00	0.00%
34 9 Stable Rate Recovery	95.0 GJ x	\$0.004	0.38	95.0 GJ x	\$0.004	0.38	\$0.000	0.00	0.00%
35 Subtotal Commodity Related Charges			<u>\$924.16</u>			<u>\$767.60</u>		<u>(\$156.56)</u>	-11.76%
36									
37 Total	<u>95.0</u>	<u>\$14.017</u>	<u>\$1,331.58</u>	<u>95.0</u>	<u>\$12.369</u>	<u>\$1,175.02</u>	<u>(\$1.648)</u>	<u>(\$156.56)</u>	-11.76%
38									
<b>39 COLUMBIA SERVICE AREA</b>									
40 <u>Delivery Margin Related Charges</u>									
41 Basic Charge	12 months x	\$11.12	\$133.44	12 months x	\$11.12	\$133.44	\$0.000	\$0.00	0.00%
42									
43 Delivery Charge	110.0 GJ x	\$2.781	305.91	110.0 GJ x	\$2.781	305.91	\$0.000	0.00	0.00%
44 Riders : 2 Reserved for Future Use	110.0 GJ x	\$0.000	0.00	110.0 GJ x	\$0.000	0.00	\$0.000	0.00	0.00%
45 3 ESM	110.0 GJ x	(\$0.063)	-6.93	110.0 GJ x	(\$0.063)	-6.93	\$0.000	0.00	0.00%
46 5 RSAM	110.0 GJ x	\$0.166	18.26	110.0 GJ x	\$0.166	18.26	\$0.000	0.00	0.00%
47 Subtotal Delivery Margin Related Charges			<u>\$450.68</u>			<u>\$450.68</u>		<u>\$0.00</u>	0.00%
48									
49 <u>Recovery Charges</u>									
50 Commodity Cost Recovery Charge	110.0 GJ x	\$9.774	\$1,075.14	110.0 GJ x	\$8.126	\$893.86	(\$1.648)	(\$181.28)	-11.85%
51 Midstream Cost Recovery Charge	110.0 GJ x	\$0.642	70.62	110.0 GJ x	\$0.642	70.62	\$0.000	0.00	0.00%
52 Riders : 6 MCRA	110.0 GJ x	(\$0.606)	(66.66)	110.0 GJ x	(\$0.606)	-66.66	\$0.000	0.00	0.00%
53 9 Stable Rate Recovery	110.0 GJ x	\$0.004	0.44	110.0 GJ x	\$0.004	0.44	\$0.000	0.00	0.00%
54 Subtotal Commodity Related Charges			<u>\$1,079.54</u>			<u>\$898.26</u>		<u>(\$181.28)</u>	-11.85%
55									
56 Total	<u>110.0</u>	<u>\$13.911</u>	<u>\$1,530.22</u>	<u>110.0</u>	<u>\$12.263</u>	<u>\$1,348.94</u>	<u>(\$1.648)</u>	<u>(\$181.28)</u>	-11.85%

**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
PAGE 2  
SMALL COMMERCIAL

**RATE SCHEDULE 2 - SMALL COMMERCIAL SERVICE**

Line No.	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/(Decrease)		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
<b>1 LOWER MAINLAND SERVICE AREA</b>									
2 <u>Delivery Margin Related Charges</u>									
3 Basic Charge	12 months x	\$23.33 =	\$279.96	12 months x	\$23.33 =	\$279.96	\$0.00	\$0.00	0.00%
4									
5 Delivery Charge	300.0 GJ x	\$2.328 =	698.40	300.0 GJ x	\$2.328 =	698.40	\$0.000	0.00	0.00%
6 Riders : 2 Reserved for Future Use	300.0 GJ x	\$0.000 =	0.00	300.0 GJ x	\$0.000 =	0.00	\$0.000	0.00	0.00%
7 3 ESM	300.0 GJ x	(\$0.049) =	-14.70	300.0 GJ x	(\$0.049) =	-14.70	\$0.000	0.00	0.00%
8 5 RSAM	300.0 GJ x	\$0.166 =	49.80	300.0 GJ x	\$0.166 =	49.80	\$0.000	0.00	0.00%
9 Subtotal Delivery Margin Related Charges			<u>\$1,013.46</u>			<u>\$1,013.46</u>		<u>\$0.00</u>	0.00%
10									
11 <u>Recovery Charges</u>									
12 Commodity Cost Recovery Charge	300.0 GJ x	\$9.797 =	\$2,939.10	300.0 GJ x	\$8.137 =	\$2,441.10	(\$1.660)	(\$498.00)	-12.56%
13 Midstream Cost Recovery Charge	300.0 GJ x	\$0.630 =	\$189.00	300.0 GJ x	\$0.630 =	\$189.00	\$0.000	\$0.00	0.00%
14 Riders : 6 MCRA	300.0 GJ x	(\$0.635) =	-190.50	300.0 GJ x	(\$0.635) =	-190.50	\$0.000	0.00	0.00%
15 8 Unbundling Recovery	300.0 GJ x	\$0.045 =	13.50	300.0 GJ x	\$0.045 =	13.50	\$0.000	0.00	0.00%
16 Subtotal Commodity Related Charges			<u>\$2,951.10</u>			<u>\$2,453.10</u>		<u>(\$498.00)</u>	-12.56%
17									
18 Total	<u>300.0</u>	\$13.215	<u>\$3,964.56</u>	<u>300.0</u>	\$11.555	<u>\$3,466.56</u>	(\$1.660)	<u>(\$498.00)</u>	-12.56%
19									
<b>20 INLAND SERVICE AREA</b>									
21 <u>Delivery Margin Related Charges</u>									
22 Basic Charge	12 months x	\$23.33 =	\$279.96	12 months x	\$23.33 =	\$279.96	\$0.00	\$0.00	0.00%
23									
24 Delivery Charge	280.0 GJ x	\$2.328 =	651.84	280.0 GJ x	\$2.328 =	651.84	\$0.000	0.00	0.00%
25 Riders : 2 Reserved for Future Use	280.0 GJ x	\$0.000 =	0.00	280.0 GJ x	\$0.000 =	0.00	\$0.000	0.00	0.00%
26 3 ESM	280.0 GJ x	(\$0.049) =	-13.72	280.0 GJ x	(\$0.049) =	-13.72	\$0.000	0.00	0.00%
27 5 RSAM	280.0 GJ x	\$0.166 =	46.48	280.0 GJ x	\$0.166 =	46.48	\$0.000	0.00	0.00%
28 Subtotal Delivery Margin Related Charges			<u>\$964.56</u>			<u>\$964.56</u>		<u>\$0.00</u>	0.00%
29									
30 <u>Recovery Charges</u>									
31 Commodity Cost Recovery Charge	280.0 GJ x	\$9.797 =	\$2,743.16	280.0 GJ x	\$8.137 =	\$2,278.36	(\$1.660)	(\$464.80)	-12.55%
32 Midstream Cost Recovery Charge	280.0 GJ x	\$0.570 =	\$159.60	280.0 GJ x	\$0.570 =	\$159.60	\$0.000	\$0.00	0.00%
33 Riders : 6 MCRA	280.0 GJ x	(\$0.635) =	-177.80	280.0 GJ x	(\$0.635) =	-177.80	\$0.000	0.00	0.00%
34 8 Unbundling Recovery	280.0 GJ x	\$0.045 =	12.60	280.0 GJ x	\$0.045 =	12.60	\$0.000	0.00	0.00%
35 Subtotal Commodity Related Charges			<u>\$2,737.56</u>			<u>\$2,272.76</u>		<u>(\$464.80)</u>	-12.55%
36									
37 Total	<u>280.0</u>	\$13.222	<u>\$3,702.12</u>	<u>280.0</u>	\$11.562	<u>\$3,237.32</u>	(\$1.660)	<u>(\$464.80)</u>	-12.55%
38									
<b>39 COLUMBIA SERVICE AREA</b>									
40 <u>Delivery Margin Related Charges</u>									
41 Basic Charge	12 months x	\$23.33 =	\$279.96	12 months x	\$23.33 =	\$279.96	\$0.00	\$0.00	0.00%
42									
43 Delivery Charge	360.0 GJ x	\$2.328 =	838.08	360.0 GJ x	\$2.328 =	838.08	\$0.000	0.00	0.00%
44 Riders : 2 Reserved for Future Use	360.0 GJ x	\$0.000 =	0.00	360.0 GJ x	\$0.000 =	0.00	\$0.000	0.00	0.00%
45 3 ESM	360.0 GJ x	(\$0.049) =	-17.64	360.0 GJ x	(\$0.049) =	-17.64	\$0.000	0.00	0.00%
46 5 RSAM	360.0 GJ x	\$0.166 =	59.76	360.0 GJ x	\$0.166 =	59.76	\$0.000	0.00	0.00%
47 Subtotal Delivery Margin Related Charges			<u>\$1,160.16</u>			<u>\$1,160.16</u>		<u>\$0.00</u>	0.00%
48									
49 <u>Recovery Charges</u>									
50 Commodity Cost Recovery Charge	360.0 GJ x	\$9.797 =	3,526.92	360.0 GJ x	\$8.137 =	2,929.32	(\$1.660)	-597.60	-12.69%
51 Midstream Cost Recovery Charge	360.0 GJ x	\$0.656 =	236.16	360.0 GJ x	\$0.656 =	236.16	\$0.000	0.00	0.00%
52 Riders : 6 MCRA	360.0 GJ x	(\$0.635) =	-228.60	360.0 GJ x	(\$0.635) =	-228.60	\$0.000	0.00	0.00%
53 8 Unbundling Recovery	360.0 GJ x	\$0.045 =	16.20	360.0 GJ x	\$0.045 =	16.20	\$0.000	0.00	0.00%
54 Subtotal Commodity Related Charges			<u>3,550.68</u>			<u>2,953.08</u>		<u>-597.60</u>	-12.69%
55									
56 Total	<u>360.0</u>	\$13.086	<u>\$4,710.84</u>	<u>360.0</u>	\$11.426	<u>\$4,113.24</u>	(\$1.660)	<u>(\$597.60)</u>	-12.69%

**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
PAGE 3  
LARGE COMMERCIAL

**RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE**

Line No.	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/Decrease		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	<b>LOWER MAINLAND SERVICE AREA</b>								
2	<u>Delivery Margin Related Charges</u>								
3	12 months	x \$124.50	= \$1,494.00	12 months	x \$124.50	= \$1,494.00	\$0.00	\$0.00	0.00%
4									
5	3,300.0	GJ x \$2.007	= 6,623.10	3,300.0	GJ x \$2.007	= 6,623.10	\$0.000	0.00	0.00%
6	3,300.0	GJ x \$0.000	= 0.00	3,300.0	GJ x \$0.000	= 0.00	\$0.000	0.00	0.00%
7	3,300.0	GJ x (\$0.037)	= -122.10	3,300.0	GJ x (\$0.037)	= -122.10	\$0.000	0.00	0.00%
8	3,300.0	GJ x \$0.166	= 547.80	3,300.0	GJ x \$0.166	= 547.80	\$0.000	0.00	0.00%
9	Subtotal Delivery Margin Related Charges			Subtotal Delivery Margin Related Charges					
10			<u>\$8,542.80</u>			<u>\$8,542.80</u>		<u>\$0.00</u>	
11	<u>Commodity Related Charges</u>								
12	3,300.0	GJ x \$9.699	= \$32,006.70	3,300.0	GJ x \$8.088	= \$26,690.40	(\$1.611)	(\$5,316.30)	-13.01%
13	3,300.0	GJ x \$0.559	= \$1,844.70	3,300.0	GJ x \$0.559	= \$1,844.70	\$0.000	\$0.00	0.00%
14	3,300.0	GJ x (\$0.513)	= -1,692.90	3,300.0	GJ x (\$0.513)	= -1,692.90	\$0.000	0.00	0.00%
15	3,300.0	GJ x \$0.045	= 148.50	3,300.0	GJ x \$0.045	= 148.50	\$0.000	0.00	0.00%
16	Subtotal Commodity Related Charges			Subtotal Commodity Related Charges					
17			<u>\$32,307.00</u>			<u>\$26,990.70</u>		<u>(\$5,316.30)</u>	-13.01%
18	<u>3,300.0</u>	<u>\$12.379</u>	<u>\$40,849.80</u>	<u>3,300.0</u>	<u>\$10.768</u>	<u>\$35,533.50</u>	<u>(\$1.611)</u>	<u>(\$5,316.30)</u>	<u>-13.01%</u>
19									
20	<b>INLAND SERVICE AREA</b>								
21	<u>Delivery Margin Related Charges</u>								
22	12 months	x \$124.50	= \$1,494.00	12 months	x \$124.50	= \$1,494.00	\$0.00	\$0.00	0.00%
23									
24	3,500.0	GJ x \$2.007	= 7,024.50	3,500.0	GJ x \$2.007	= 7,024.50	\$0.000	0.00	0.00%
25	3,500.0	GJ x \$0.000	= 0.00	3,500.0	GJ x \$0.000	= 0.00	\$0.000	0.00	0.00%
26	3,500.0	GJ x (\$0.037)	= -129.50	3,500.0	GJ x (\$0.037)	= -129.50	\$0.000	0.00	0.00%
27	3,500.0	GJ x \$0.166	= 581.00	3,500.0	GJ x \$0.166	= 581.00	\$0.000	0.00	0.00%
28	Subtotal Delivery Margin Related Charges			Subtotal Delivery Margin Related Charges					
29			<u>\$8,970.00</u>			<u>\$8,970.00</u>		<u>\$0.00</u>	0.00%
30	<u>Commodity Related Charges</u>								
31	3,500.0	GJ x \$9.699	= \$33,946.50	3,500.0	GJ x \$8.088	= \$28,308.00	(\$1.611)	(\$5,638.50)	-13.09%
32	3,500.0	GJ x \$0.510	= \$1,785.00	3,500.0	GJ x \$0.510	= \$1,785.00	\$0.000	\$0.00	0.00%
33	3,500.0	GJ x (\$0.513)	= -1,795.50	3,500.0	GJ x (\$0.513)	= -1,795.50	\$0.000	0.00	0.00%
34	3,500.0	GJ x \$0.045	= 157.50	3,500.0	GJ x \$0.045	= 157.50	\$0.000	0.00	0.00%
35	Subtotal Commodity Related Charges			Subtotal Commodity Related Charges					
36			<u>\$34,093.50</u>			<u>\$28,455.00</u>		<u>(\$5,638.50)</u>	-13.09%
37	<u>3,500.0</u>	<u>\$12.304</u>	<u>\$43,063.50</u>	<u>3,500.0</u>	<u>\$10.693</u>	<u>\$37,425.00</u>	<u>(\$1.611)</u>	<u>(\$5,638.50)</u>	<u>-13.09%</u>
38									
39	<b>COLUMBIA SERVICE AREA</b>								
40	<u>Delivery Margin Related Charges</u>								
41	12 months	x \$124.50	= \$1,494.00	12 months	x \$124.50	= \$1,494.00	\$0.00	\$0.00	0.00%
42									
43	3,800.0	GJ x \$2.007	= 7,626.60	3,800.0	GJ x \$2.007	= 7,626.60	\$0.000	0.00	0.00%
44	3,800.0	GJ x \$0.000	= 0.00	3,800.0	GJ x \$0.000	= 0.00	\$0.000	0.00	0.00%
45	3,800.0	GJ x (\$0.037)	= -140.60	3,800.0	GJ x (\$0.037)	= -140.60	\$0.000	0.00	0.00%
46	3,800.0	GJ x \$0.166	= 630.80	3,800.0	GJ x \$0.166	= 630.80	\$0.000	0.00	0.00%
47	Subtotal Delivery Margin Related Charges			Subtotal Delivery Margin Related Charges					
48			<u>\$9,610.80</u>			<u>\$9,610.80</u>		<u>\$0.00</u>	0.00%
49	<u>Commodity Related Charges</u>								
50	3,800.0	GJ x \$9.699	= \$36,856.20	3,800.0	GJ x \$8.088	= 30,734.40	(\$1.611)	-6,121.80	-13.04%
51	3,800.0	GJ x \$0.596	= \$2,264.80	3,800.0	GJ x \$0.596	= 2,264.80	\$0.000	0.00	0.00%
52	3,800.0	GJ x (\$0.513)	= -1,949.40	3,800.0	GJ x (\$0.513)	= -1,949.40	\$0.000	0.00	0.00%
53	3,800.0	GJ x \$0.045	= 171.00	3,800.0	GJ x \$0.045	= 171.00	\$0.000	0.00	0.00%
54	Subtotal Commodity Related Charges			Subtotal Commodity Related Charges					
55			<u>\$37,342.60</u>			<u>\$31,220.80</u>		<u>(\$6,121.80)</u>	-13.04%
56	<u>3,800.0</u>	<u>\$12.356</u>	<u>\$46,953.40</u>	<u>3,800.0</u>	<u>\$10.745</u>	<u>\$40,831.60</u>	<u>(\$1.611)</u>	<u>(\$6,121.80)</u>	<u>-13.04%</u>



**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
PAGE 4  
SEASONAL

**RATE SCHEDULE 4 - SEASONAL SERVICE**

Line No.	Particulars	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/(Decrease)	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Annual Bill
1									
2	<b>LOWER MAINLAND SERVICE AREA</b>								
3	Basic Charge - (a) Off-Peak Period	7 months	x \$412.00 =	\$2,884.00	7 months	x \$412.00 =	\$2,884.00	\$0.00	0.00%
4	(b) Extension Period	0 months	x \$412.00 =	\$0.00	0 months	x \$412.00 =	\$0.00	\$0.00	0.00%
5	Delivery Charge								
6	(a) Off-Peak Period	6,100.0	GJ x \$0.717 =	4,373.70	6,100.0	GJ x \$0.717 =	4,373.70	0.00	0.00%
7	(b) Extension Period	0.0	GJ x \$1.446 =	0.00	0.0	GJ x \$1.446 =	0.00	0.00	0.00%
8									
9	Gas Cost Recovery Charge								
10	(a) Off-Peak Period								
11	Commodity Cost Recovery Charge	6,100.0	GJ x \$9.587 =	58,480.70	6,100.0	GJ x \$8.031 =	48,989.10	-9,491.60	-14.33%
12	Midstream Cost Recovery Charge	6,100.0	GJ x \$0.477 =	2,909.70	6,100.0	GJ x \$0.477 =	2,909.70	0.00	0.00%
13		6,100.0	\$10.064	61,390.40	6,100.0	\$8.508	51,898.80	-9,491.60	-14.33%
14	(b) Extension Period								
15	Commodity Cost Recovery Charge	0.0	GJ x \$9.587 =	0.00	0.0	GJ x \$8.031 =	0.00	0.00	0.00%
16	Midstream Cost Recovery Charge	0.0	GJ x \$0.477 =	0.00	0.0	GJ x \$0.477 =	0.00	0.00	0.00%
17		0.0	\$10.064	0.00	0.0	\$8.508	0.00	0.00	0.00%
18	Unauthorized Gas Charge During Peak Period (not forecast)								
19									
20	Riders : 2 Reserved for Future Use	6,100.0	GJ x \$0.000 =	0.00	6,100.0	GJ x \$0.000 =	0.00	0.00	0.00%
21	3 Earnings Sharing	6,100.0	GJ x (\$0.025) =	-152.50	6,100.0	GJ x (\$0.025) =	-152.50	0.00	0.00%
22	6 MCRA	6,100.0	GJ x (\$0.372) =	-2,269.20	6,100.0	GJ x (\$0.372) =	-2,269.20	0.00	0.00%
23									
24	<b>Total</b>	<u>6,100.0</u>		<u>\$66,226.40</u>	<u>6,100.0</u>		<u>\$56,734.80</u>	<u>(\$9,491.60)</u>	-14.33%
25									
26	<b>INLAND SERVICE AREA</b>								
27									
28	Basic Charge - (a) Off-Peak Period	7 months	x \$412.00 =	\$2,884.00	7 months	x \$412.00 =	\$2,884.00	\$0.00	0.00%
29	(b) Extension Period	0 months	x \$412.00 =	\$0.00	0 months	x \$412.00 =	\$0.00	\$0.00	0.00%
30	Delivery Charge								
31	(a) Off-Peak Period	13,300.0	GJ x \$0.717 =	9,536.10	13,300.0	GJ x \$0.717 =	9,536.10	0.00	0.00%
32	(b) Extension Period	0.0	GJ x \$1.446 =	0.00	0.0	GJ x \$1.446 =	0.00	0.00	0.00%
33									
34	Gas Cost Recovery Charge								
35	(a) Off-Peak Period								
36	Commodity Cost Recovery Charge	13,300.0	GJ x \$9.587 =	127,507.10	13,300.0	GJ x \$8.031 =	106,812.30	-20,694.80	-14.73%
37	Midstream Cost Recovery Charge	13,300.0	GJ x \$0.442 =	5,878.60	13,300.0	GJ x \$0.442 =	5,878.60	0.00	0.00%
38		13,300.0	\$10.029	133,385.70	13,300.0	\$8.473	112,690.90	-20,694.80	-14.73%
39	(b) Extension Period								
40	Commodity Cost Recovery Charge	0.0	GJ x \$9.587 =	0.00	0.0	GJ x \$8.031 =	0.00	0.00	0.00%
41	Midstream Cost Recovery Charge	0.0	GJ x \$0.442 =	0.00	0.0	GJ x \$0.442 =	0.00	0.00	0.00%
42		0.0	\$10.029	0.00	0.0	\$8.473	0.00	0.00	0.00%
43	Unauthorized Gas Charge During Peak Period (not forecast)								
44									
45	Riders : 2 Reserved for Future Use	13,300.0	GJ x \$0.000 =	0.00	13,300.0	GJ x \$0.000 =	0.00	0.00	0.00%
46	3 Earnings Sharing	13,300.0	GJ x (\$0.025) =	-332.50	13,300.0	GJ x (\$0.025) =	-332.50	0.00	0.00%
47	6 MCRA	13,300.0	GJ x (\$0.372) =	-4,947.60	13,300.0	GJ x (\$0.372) =	-4,947.60	0.00	0.00%
48									
49	<b>Total</b>	<u>13,300.0</u>		<u>\$140,525.70</u>	<u>13,300.0</u>		<u>\$119,830.90</u>	<u>(\$20,694.80)</u>	-14.73%

**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
PAGE 5  
GENERAL FIRM

**RATE SCHEDULE 5 -GENERAL FIRM SERVICE**

Line No.	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/Decrease			
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill	
1										
2	<b>LOWER MAINLAND SERVICE AREA</b>									
3	Basic Charge	12 months x \$551.00 =	\$6,612.00	12 months x \$551.00 =	\$6,612.00	\$0.00	\$0.00	0.00%		
4										
5										
6	Demand Charge	73.2 GJ x \$13.766 =	12,092.05	73.2 GJ x \$13.766 =	12,092.05	\$0.000	0.00	0.00%		
7										
8										
9	Delivery Charge	11,600.0 GJ x \$0.557 =	6,461.20	11,600.0 GJ x \$0.557 =	6,461.20	\$0.000	0.00	0.00%		
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge	11,600.0 GJ x \$9.587 =	111,209.20	11,600.0 GJ x \$8.031 =	93,159.60	(\$1.556)	-18,049.60	-13.15%		
13	Midstream Cost Recovery Charge	11,600.0 GJ x \$0.477 =	5,533.20	11,600.0 GJ x \$0.477 =	5,533.20	\$0.000	0.00	0.00%		
14										
15	Riders : 2 Reserved for Future Use	11,600.0 GJ x \$0.000 =	0.00	11,600.0 GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%		
16	3 ESM	11,600.0 GJ x (\$0.027) =	-313.20	11,600.0 GJ x (\$0.027) =	-313.20	\$0.000	0.00	0.00%		
17	Riders : 6 MCRA	11,600.0 GJ x (\$0.372) =	-4,315.20	11,600.0 GJ x (\$0.372) =	-4,315.20	\$0.000	0.00	0.00%		
18	Total	<u>11,600.0</u>	<u>\$11.834</u>	<u>\$137,279.25</u>	<u>11,600.0</u>	<u>\$10.278</u>	<u>\$119,229.65</u>	(\$1.556)	(\$18,049.60)	-13.15%
19										
20	<b>INLAND SERVICE AREA</b>									
21	Basic Charge	12 months x \$551.00 =	\$6,612.00	12 months x \$551.00 =	\$6,612.00	\$0.00	\$0.00	0.00%		
22										
23										
24	Demand Charge	106.8 GJ x \$13.766 =	17,642.51	106.8 GJ x \$13.766 =	17,642.51	\$0.000	0.00	0.00%		
25										
26										
27	Delivery Charge	15,900.0 GJ x \$0.557 =	8,856.30	15,900.0 GJ x \$0.557 =	8,856.30	\$0.000	0.00	0.00%		
28										
29	<u>Commodity Related Charges</u>									
30	Commodity Cost Recovery Charge	15,900.0 GJ x \$9.587 =	152,433.30	15,900.0 GJ x \$8.031 =	127,692.90	(\$1.556)	-24,740.40	-13.29%		
31	Midstream Cost Recovery Charge	15,900.0 GJ x \$0.442 =	7,027.80	15,900.0 GJ x \$0.442 =	7,027.80	\$0.000	0.00	0.00%		
32										
33	Riders : 2 Reserved for Future Use	15,900.0 GJ x \$0.000 =	0.00	15,900.0 GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%		
34	3 ESM	15,900.0 GJ x (\$0.027) =	-429.30	15,900.0 GJ x (\$0.027) =	-429.30	\$0.000	0.00	0.00%		
35	Riders : 6 MCRA	15,900.0 GJ x (\$0.372) =	-5,914.80	15,900.0 GJ x (\$0.372) =	-5,914.80	\$0.000	0.00	0.00%		
36	Total	<u>15,900.0</u>	<u>\$11.712</u>	<u>\$186,227.81</u>	<u>15,900.0</u>	<u>\$10.156</u>	<u>\$161,487.41</u>	(\$1.556)	(\$24,740.40)	-13.29%
37										
38	<b>COLUMBIA SERVICE AREA</b>									
39	Basic Charge	12 months x \$551.00 =	\$6,612.00	12 months x \$551.00 =	\$6,612.00	\$0.00	\$0.00	0.00%		
40										
41										
42	Demand Charge	63.0 GJ x \$13.766 =	10,407.10	63.0 GJ x \$13.766 =	10,407.10	\$0.000	0.00	0.00%		
43										
44										
45	Delivery Charge	14,000.0 GJ x \$0.557 =	7,798.00	14,000.0 GJ x \$0.557 =	7,798.00	\$0.000	0.00	0.00%		
46										
47	<u>Commodity Related Charges</u>									
48	Commodity Cost Recovery Charge	14,000.0 GJ x \$9.587 =	134,218.00	14,000.0 GJ x \$8.031 =	112,434.00	(\$1.556)	-21,784.00	-13.54%		
49	Midstream Cost Recovery Charge	14,000.0 GJ x \$0.527 =	7,378.00	14,000.0 GJ x \$0.527 =	7,378.00	\$0.000	0.00	0.00%		
50										
51	Riders : 2 Reserved for Future Use	14,000.0 GJ x \$0.000 =	0.00	10,864.0 GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%		
52	3 ESM	14,000.0 GJ x (\$0.027) =	-378.00	14,000.0 GJ x (\$0.027) =	-378.00	\$0.000	0.00	0.00%		
53	Riders : 6 MCRA	14,000.0 GJ x (\$0.372) =	-5,208.00	14,000.0 GJ x (\$0.372) =	-5,208.00	\$0.000	0.00	0.00%		
54	Total	<u>14,000.0</u>	<u>\$11.488</u>	<u>\$160,827.10</u>	<u>14,000.0</u>	<u>\$9.932</u>	<u>\$139,043.10</u>	(\$1.556)	(\$21,784.00)	-13.54%

**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

**RATE SCHEDULE 6 - NGV - STATIONS**

Line No.	Particulars	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	<b>LOWER MAINLAND SERVICE AREA</b>									
2										
3	Basic Charge	12 months	x \$58.00 =	\$696.00	12 months	x \$58.00 =	\$696.00	\$0.00	\$0.00	0.00%
4										
5										
6	Delivery Charge	6,300.0	GJ x \$3.192 =	20,109.60	6,300.0	GJ x \$3.192 =	20,109.60	\$0.000	0.00	0.00%
7										
8	<u>Commodity Related Charges</u>									
9	Commodity Cost Recovery Charge	6,300.0	GJ x \$9.438 =	59,459.40	6,300.0	GJ x \$7.956 =	50,122.80	(\$1.482)	-9,336.60	-11.51%
10	Midstream Cost Recovery Charge	6,300.0	GJ x \$0.369 =	2,324.70	6,300.0	GJ x \$0.369 =	2,324.70	\$0.000	0.00	0.00%
11										
12	Riders : 2 Reserved for Future Use	6,300.0	GJ x \$0.000 =	0.00	6,300.0	GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%
13	3 ESM	6,300.0	GJ x (\$0.051) =	-321.30	6,300.0	GJ x (\$0.051) =	-321.30	\$0.000	0.00	0.00%
14	Riders : 6 MCRA	6,300.0	GJ x (\$0.184) =	-1,159.20	6,300.0	GJ x (\$0.184) =	-1,159.20	\$0.000	0.00	0.00%
15	7 NGV Retrofit	6,300.0	GJ x \$0.000 =	0.00	6,300.0	GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%
16	Total	<u>6,300.0</u>	<u>\$12.874</u>	<u>\$81,109.20</u>	<u>6,300.0</u>	<u>\$11.392</u>	<u>\$71,772.60</u>	(\$1.482)	<u>(\$9,336.60)</u>	-11.51%
17										
18	<b>INLAND SERVICE AREA</b>									
19	Basic Charge	12 months	x \$58.00 =	\$696.00	12 months	x \$58.00 =	\$696.00	\$0.00	\$0.00	0.00%
20										
21										
22	Delivery Charge	2,500.0	GJ x \$3.192 =	7,980.00	2,500.0	GJ x \$3.192 =	7,980.00	\$0.000	0.00	0.00%
23										
24	<u>Commodity Related Charges</u>									
25	Commodity Cost Recovery Charge	2,500.0	GJ x \$9.438 =	23,595.00	2,500.0	GJ x \$7.956 =	19,890.00	(\$1.482)	-3,705.00	-11.38%
26	Midstream Cost Recovery Charge	2,500.0	GJ x \$0.352 =	880.00	2,500.0	GJ x \$0.352 =	880.00	\$0.000	0.00	0.00%
27										
28	Riders : 2 Reserved for Future Use	2,500.0	GJ x \$0.000 =	0.00	2,500.0	GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%
29	3 ESM	2,500.0	GJ x (\$0.051) =	-127.50	2,500.0	GJ x (\$0.051) =	-127.50	\$0.000	0.00	0.00%
30	Riders : 6 MCRA	2,500.0	GJ x (\$0.184) =	-460.00	2,500.0	GJ x (\$0.184) =	-460.00	\$0.000	0.00	0.00%
31	7 NGV Retrofit	0.0	GJ x \$0.000 =	0.00	0.0	GJ x \$0.000 =	0.00	\$0.000	0.00	0.00%
32	Total	<u>2,500.0</u>	<u>\$13.025</u>	<u>\$32,563.50</u>	<u>2,500.0</u>	<u>\$11.543</u>	<u>\$28,858.50</u>	(\$1.482)	<u>(\$3,705.00)</u>	-11.38%

**TERASEN GAS INC.**  
EFFECT ON CUSTOMERS' RATES OF APRIL 1, 2006 RATE CHANGES CONSISTING OF  
GAS COST

TAB 4  
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INTERRUPTIBLE

**RATE SCHEDULE 7 - INTERRUPTIBLE SALES**

Line No.	Particulars	Existing Jan. 1, 2006 Interim Rates			April 1, 2006 Charges			Annual Increase/(Decrease)	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Annual Bill
1									
2	<b>LOWER MAINLAND SERVICE AREA</b>								
3	Basic Charge	12 months	x \$826.00	= \$9,912.00	12 months	x \$826.00	= \$9,912.00	\$0.00	0.00%
4									
5	Delivery Charge	25,000.0	GJ x \$0.930	= 23,250.00	25,000.0	GJ x \$0.930	= 23,250.00	0.00	0.00%
6									
7	Commodity Related Charges								
8	Commodity Cost Recovery Charge	25,000.0	GJ x \$9.587	= 239,675.00	25,000.0	GJ x \$8.031	= 200,775.00	-38,900.00	-14.14%
9	Midstream Cost Recovery Charge	25,000.0	GJ x \$0.477	= 11,925.00	25,000.0	GJ x \$0.477	= 11,925.00	0.00	0.00%
10									
11	Non-Standard Charges ( not forecast )								
12	Index Pricing Option, UOR								
13									
14	Riders : 2 Reserved for Future Use	25,000.0	GJ x \$0.000	= 0.00	25,000.0	GJ x \$0.000	= 0.00	0.00	0.00%
15	3 ESM	25,000.0	GJ x (\$0.016)	= -400.00	25,000.0	GJ x (\$0.016)	= -400.00	0.00	0.00%
16	Riders : 6 MCRA	25,000.0	GJ x (\$0.372)	= -9,300.00	25,000.0	GJ x (\$0.372)	= -9,300.00	0.00	0.00%
17									
18	<b>Total</b>	<u>25,000.0</u>	<u>\$11.002</u>	<u>\$275,062.00</u>	<u>25,000.0</u>	<u>\$9.446</u>	<u>\$236,162.00</u>	<u>(\$38,900.00)</u>	<u>-14.14%</u>
19									
20									
21	<b>INLAND SERVICE AREA</b>								
22									
23	Basic Charge	12 months	x \$826.00	= \$9,912.00	12 months	x \$826.00	= \$9,912.00	\$0.00	0.00%
24									
25	Delivery Charge	10,700.0	GJ x \$0.930	= 9,951.00	10,700.0	GJ x \$0.930	= 9,951.00	0.00	0.00%
26									
27	Commodity Related Charges								
28	Commodity Cost Recovery Charge	10,700.0	GJ x \$9.587	= 102,580.90	10,700.0	GJ x \$8.031	= 85,931.70	-16,649.20	-13.53%
29	Midstream Cost Recovery Charge	10,700.0	GJ x \$0.442	= 4,729.40	10,700.0	GJ x \$0.442	= 4,729.40	0.00	0.00%
30									
31	Non-Standard Charges ( not forecast )								
32	Index Pricing Option, UOR								
33									
34	Riders : 2 Reserved for Future Use	10,700.0	GJ x \$0.000	= 0.00	10,700.0	GJ x \$0.000	= 0.00	0.00	0.00%
35	3 ESM	10,700.0	GJ x (\$0.016)	= -171.20	10,700.0	GJ x (\$0.016)	= -171.20	0.00	0.00%
36	Riders : 6 MCRA	10,700.0	GJ x (\$0.372)	= -3,980.40	10,700.0	GJ x (\$0.372)	= -3,980.40	0.00	0.00%
37									
38	<b>Total</b>	<u>10,700.0</u>	<u>\$11.497</u>	<u>\$123,021.70</u>	<u>10,700.0</u>	<u>\$9.941</u>	<u>\$106,372.50</u>	<u>(\$16,649.20)</u>	<u>-13.53%</u>