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February 15, 2008

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

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. - Fort Nelson Service Area ("TG Fort Nelson" or the
"Company") 2008 Revenue Requirements and Rates
Final Comments of TG Fort Nelson**

On November 30, 2007, TG Fort Nelson filed an application with the Commission, regarding its 2008 Revenue Requirements (the "Application"), requesting an increase in rates effective January 1, 2008 on a permanent basis, and interim basis pursuant to Section 89 of the *Utilities Commission Act*, and for an increase on a permanent basis of the Revenue Stabilization Adjustment Mechanism ("RSAM") rate rider.

On December 14, 2007, the Commission issued Order No G-158-07, instructing Terasen Gas to increase its RSAM rider from \$0.073/GJ to \$0.114/GJ, effective January 1, 2008, as per the Company's Application. In addition, Order No G-158-07 established the Preliminary Regulatory Timetable directing TG Fort Nelson to file detailed Application materials in support of its 2008 Revenue Requirements on December 21, 2007 and responses to Commission Staff Information Request ("IR") No 1 on January 30, 2008.

In accordance with Order No. G-158-07, on December 21, 2007, the Company filed detailed support material for its Application (Exhibit B-1-2) for changes to the RSAM and delivery rates, amending the Application to reflect the most up-to-date information available and reducing the forecast 2008 TG Fort Nelson revenue deficiency from \$371,000 to \$348,000.

Consistent with Order No. G-158-07, on January 16, 2008, the Commission issued Commission Staff IR No. 1 (Exhibit A-2), to which the Company submitted responses (Exhibit B-2) on January 30, 2008. In that submission the Company presented its revised Application (Exhibit B-1-3) (the "January 30 Revised Application"), reflecting the latest information available. There were three items that were incorporated in the January 30 Revised Application:

1. Actual Customer Additions for 2007;
2. Contributions in aid of construction were recorded incorrectly in prior years and corrected; and
3. Rate Schedule 25 Volumes and Revenue were lowered to reflect the announced closure of the two mills in Fort Nelson.

The January 30 Revised Application resulted in a total forecast 2008 revenue deficiency of \$482,000 and a corresponding requirement for full year delivery margin increase of 49.2%, or 8.8% of the sales rate. TG Fort Nelson requested approval of permanent rates for residential and commercial customers effective January 1, 2008 that would allow the Company to recover in its rates those increases and an increase to the RSAM Rate Rider 5 from \$0.114/GJ to \$0.144/GJ.

On February 8, 2008, the Commission issued Order No. G-19-08 amending the Regulatory Timetable which recognized that there were no registered Intervenor and directed TG Fort Nelson to formally file responses to three additional verbal information requests ("BCUC IR No. 2") after which the record of the proceeding would be closed. In accordance with Order No. G-19-08, on February 14, 2008, the Company submitted responses to BCUC IR No. 2 (Exhibit B-3).

Pursuant to the amended Regulatory Timetable issued in Order No. G-19-08, this submission constitutes the Company's Final Comments.

TG Fort Nelson has worked to mitigate the impact to customer rates due to the indefinite closure of the two facilities served under Rate Schedule 25, as announced by Canfor on January 18, 2008. In the November 30, 2007 Application annual delivery margin from Rate Schedule 25 was estimated at \$320,000. With the announced closure of the two mills in Fort Nelson, the Company believes it is fair and appropriate to reduce its forecast Rate 25 annual demand by 177TJ. This reduction results in a delivery margin reduction of \$166,000 when calculating the 2008 Revenue Requirement for TG Fort Nelson customers, as detailed in the January 30 Revised Application.

If the mills remain closed for 2009, a further increase in delivery margin requirement for residential and commercial customers will be required in 2009. If the changes from the January 30 Revised Application are not accepted and the mills remain closed for 2009, then Terasen Gas would expect to file a Revenue Requirement Application for 2009 to recover the full \$320,000 of lost delivery margin due to the mill closures. Incorporating for 2008 the reduced forecast delivery margin as proposed would serve to phase in the impact of the lost Rate Schedule 25 delivery margin over two years (2008 and 2009) rather than 100% in 2009.

In calculating the 2008 Revenue Requirement for TG Fort Nelson, the Company has been careful to ensure that allocation of operating and maintenance costs from TGI are consistent with prior years and Commission Orders. As submitted in the response to Commission Staff IR No 1, Question 13, Terasen Gas reiterates its belief that the method used to calculate shared services costs established in Order No. G-63-92 is appropriate as calculated. Changing the allocation basis that is implicit in the current Terasen Gas Inc. ("TGI") 2004-2007 Multi-Year Performance Based Rate Plan Settlement Agreement, extended to 2008-2009 (the "Settlement Agreement") would need to be treated as an "exogenous factor" for the remaining TGI service areas and would result in an increase to the allowed costs in the period the allocation change is made.

The Company is aware that in smaller communities, such as Fort Nelson, economic assumptions can change rapidly as evidenced by the Canfor mill closures, and believes it has made reasonable estimates of use rates and customer additions. Future consideration of consolidation of the Fort Nelson Service area with the remainder of TGI for regulatory

purposes could mitigate the wide variability in rates that can occur due to the Fort Nelson Service Area's small relative size. The Company is of the view that it would be appropriate to consider regulatory consolidation upon the expiry of the Settlement Agreement currently set to expire at the end of 2009.

The Company believes that the approvals sought in the January 30 Revised Application are necessary, fair and reasonable and in the customers' best interest long term. The Company makes this assertion knowing that the January 30 Revised Application includes the most up to date information available.

The January 30 Revised Application results in a total forecast 2008 revenue deficiency of \$482,000, corresponding to a requirement for full year delivery margin increase of 49.2%, or 8.8% of the sales rate. Based on the limitations of the current customer billing system, the Company recognizes that there could be billing issues relating to an adjustment of the accounts of residential and commercial customers for consumption from January 1 to March 30, 2008.

In the January 30 Revised Application, in order to avoid complex billing issues or a one-time bill adjustment, the Company proposed to recover, over the April through December 2008 period, the balance of the 2008 revenue deficiency remaining after the interim rates in effect during the January 1, 2008 through March 30, 2008 period are taken into account. The Company stated that it proposed to recover the unbilled amount from January 1 to March 31, 2008 by way of a rate rider or a rate change effective April 1, 2008. With this statement the Company erred, as the intent of the Company's proposal is to recover this amount by way of a rate rider only.

For clarity the Company is of the view that the appropriate method to recover the revenue deficiency is to set permanent rates effective January 1, 2008 at a level sufficient to recover the full revenue requirements set out in the January 30 Revised Application. The Company also proposes a rate rider ("Rate Rider 2") effective April 1, 2008 for residential and commercial customers that will recover over the April 1 to December 31 period the unbilled amount from the January 1 through March 31 period. The proposed Rate Rider 2 for residential and commercial customers would recover the 2008 revenue deficiency remaining after deduction of the interim rate revenues for January 1 to March 31, 2008. This proposal is based on the limitations of the billing system and to avoid bill adjustments.

Attachment 1 provides the proposed rates effective January 1, 2008, proposed Rate Rider 2 effective April 1, 2008, and a total column in order to show rate continuity. The presentation of the rate continuity schedule (Attachment 1) specifically delineates the permanent rates as well as the Rate Rider 2. The rate continuity schedules that were included with the Revised January 30 Revised Application simply showed the total column which was the aggregate of proposed January 1, 2008 rates plus the proposed April 1, 2008 Rate Rider 2. For clarity, the aggregate rates effective April 1, 2008 shown in Attachment 1 are equal to the total rates effective April 1, 2008 as shown in the rate continuity schedules included with the January 30 Revised Application.

TG Fort Nelson proposes to increase the RSAM Rate Rider 5 to \$0.144/GJ as of April 1, 2008 as the shortfall due to the January 1 to March 31, 2008 period will be accounted for in the RSAM calculation for 2009.

Adjusting bills for the Rate 25 customers is not complex. For the two Rate 25 customers TG Fort Nelson proposes that permanent rates be effective January 1, 2008, with TG Fort Nelson sending those customers adjusted bills for the first three months of 2008.

The Company is of the view that implementing rates as proposed would serve to mitigate the possible financial burden some customers would otherwise experience and is in the best interest of customers. Rate Continuity and Bill Impact schedules that reflect the January 30 Revised Application and clearly show the Rate Rider 2 amounts are provided in Attachments 1 and 2.

If you have any questions related to this filing, please contact Tom Loski, Director of Regulatory Affairs at (604) 592-7464.

All of which is respectfully submitted.

Yours very truly,

TERASEN GAS INC.

Original signed by: Tom Loski

For: Scott A. Thomson

Attachments

Attachment 1

Rate Continuity Schedule for Rates 1, 2.1, 2.2 and 25**Proposed Tariff Rate Change & Rate Class Revenue Recovery**

Line No.	Particulars	Tariff @ 2004 Rates	Less: RSAM Recovery Charge	Less: Average Cost of Gas	Delivery Margin	Margin Rate Increase	Add: Average Cost of Gas	Add: Revised RSAM Recovery Charge	Proposed Rates		Tariff incl. Rate Rider 2 Apr 1/08
									Tariff @ Revised Rates Jan 1/08	Proposed Rate Rider 2 April 1/08	
1	Residential										
2	1st Blk ≤ 2 GJ \$ / Month	\$ 18.00	\$ (0.15)	\$ (13.74)	\$ 4.11	\$ 2.51	\$ 13.74	\$ 0.29	\$ 20.65	\$ 0.563	\$ 21.208
3	2nd Blk Next 28 GJ \$ / GJ	\$ 8.143	\$ (0.073)	\$ (6.868)	\$ 1.202	\$ 0.591	\$ 6.868	\$ 0.144	\$ 8.805	\$ 0.304	\$ 9.109
4	3rd Blk Excess of 30 GJ \$ / GJ	\$ 8.108	\$ (0.073)	\$ (6.868)	\$ 1.167	\$ 0.574	\$ 6.868	\$ 0.144	\$ 8.753	\$ 0.538	\$ 9.291
5											
6	General Service - Small Commercial										
7	1st Blk ≤ 2 GJ \$ / Month	\$ 26.72	\$ (0.15)	\$ (13.74)	\$ 12.83	\$ 7.07	\$ 13.74	\$ 0.29	\$ 33.93	\$ 1.416	\$ 35.348
8	2nd Blk Next 298 GJ \$ / GJ	\$ 8.284	\$ (0.073)	\$ (6.868)	\$ 1.343	\$ 0.660	\$ 6.868	\$ 0.144	\$ 9.015	\$ 0.327	\$ 9.342
9	3rd Blk Excess of 300 GJ \$ / GJ	\$ 8.242	\$ (0.073)	\$ (6.868)	\$ 1.301	\$ 0.640	\$ 6.868	\$ 0.144	\$ 8.953	\$ 0.568	\$ 9.521
10											
11	General Service - Large Commercial										
12	1st Blk ≤ 2 GJ \$ / Month	\$ 26.72	\$ (0.15)	\$ (13.74)	\$ 12.83	\$ 7.07	\$ 13.74	\$ 0.29	\$ 33.93	\$ 1.416	\$ 35.348
13	2nd Blk Next 298 GJ \$ / GJ	\$ 8.284	\$ (0.073)	\$ (6.868)	\$ 1.343	\$ 0.660	\$ 6.868	\$ 0.144	\$ 9.015	\$ 0.327	\$ 9.342
14	3rd Blk Excess of 300 GJ \$ / GJ	\$ 8.242	\$ (0.073)	\$ (6.868)	\$ 1.301	\$ 0.640	\$ 6.868	\$ 0.144	\$ 8.953	\$ 0.568	\$ 9.521
15											
16	Transportation Service										
17	1st Blk ≤ 20 GJ \$ / GJ	\$ 1.131	\$ -	\$ (0.027)	\$ 1.104	\$ 0.671	\$ 0.027		\$ 1.802		\$ 1.802
18	2nd Blk Next 260 GJ \$ / GJ	\$ 1.049	\$ -	\$ (0.027)	\$ 1.022	\$ 0.621	\$ 0.027		\$ 1.670		\$ 1.670
19	3rd Blk Excess of 280 GJ \$ / GJ	\$ 0.856	\$ -	\$ (0.027)	\$ 0.829	\$ 0.504	\$ 0.027		\$ 1.360		\$ 1.360
20	Minimum Delivery Charge per Month	\$ 869.00			\$ 869.00	\$ 427.00			\$ 1,296.00		\$ 1,296.00
21											
22	Administration Charge	\$ 202.00	\$ -		\$ 202.00	\$ -			\$ 202.00		\$ 202.00
23	RSAM Recovery Charge	\$ 0.073	\$ (0.073)	\$ -	\$ -		\$ -	\$ 0.144	\$ 0.144		\$ 0.144

Rate Continuity Schedule for Rates 2.3, 3.1, 3.2 and 3.3**Proposed Tariff Rate Change & Rate Class Revenue Recovery**

Line No.	Particulars	Tariff @ 2004 Rates	Less: RSAM Recovery Charge	Less: Average Cost of Gas	Delivery Margin	Margin Rate Increase	Add: Average Cost of Gas	Add: Revised RSAM Recovery Charge	Proposed Rates Tariff @ Revised Rates Jan 1/08
						49.18%			
1	Rate Class 2.3 - Natural Gas Vehicle Fuel Service								
2	1st Blk ≤ 2 GJ \$ / Month	\$ 27.09	\$ -	\$ (13.74)	\$ 13.35	\$ 6.57	\$ 13.74	\$ -	\$ 33.657
3	2nd Blk Next 298 GJ \$ / GJ	\$ 8.509	\$ -	\$ (6.868)	\$ 1.641	\$ 0.807	\$ 6.868	\$ -	\$ 9.316
4	3rd Blk Excess of 300 GJ \$ / GJ	\$ 8.467	\$ -	\$ (6.868)	\$ 1.599	\$ 0.786	\$ 6.868	\$ -	\$ 9.253
5									
6	Rate Class 3.1 / 3.2 - Industrial Service < 360,000 GJ per Year								
7	Delivery Charge								
8	1st Blk ≤ 20 GJ \$ / GJ	\$ 1.131	\$ -	\$ -	\$ 1.131	\$ 0.556	\$ -	\$ -	\$ 1.687
9	2nd Blk Next 260 GJ \$ / GJ	\$ 1.049	\$ -	\$ -	\$ 1.049	\$ 0.516	\$ -	\$ -	\$ 1.565
10	3rd Blk Excess of 280 GJ \$ / GJ	\$ 0.856	\$ -	\$ -	\$ 0.856	\$ 0.421	\$ -	\$ -	\$ 1.277
11	Minimum Month Delivery Charge	\$ 869.00			\$ 869.00	\$ 427.00		\$ -	\$ 1,296.00
12									
13	Gas Cost Recovery Charge	\$ 6.868		\$ (6.868)	\$ -	\$ -	\$ 6.868	\$ -	\$ 6.868
14	RSAM Rate Rider	\$ 0.073	\$ (0.073)		\$ -	\$ -	\$ -	\$ 0.144	\$ 0.144
15									
16	Rate Class 3.3 - Industrial Service ≥ 360,000 GJ per Year								
17	Delivery Charge								
18	1st Blk ≤ 20 GJ \$ / GJ	\$ 1.132	\$ -	\$ -	\$ 1.132	\$ 0.555	\$ -	\$ -	\$ 1.687
19	2nd Blk Next 260 GJ \$ / GJ	\$ 1.051	\$ -	\$ -	\$ 1.051	\$ 0.514	\$ -	\$ -	\$ 1.565
20	3rd Blk Excess of 280 GJ \$ / GJ	\$ 0.858	\$ -	\$ -	\$ 0.858	\$ 0.419	\$ -	\$ -	\$ 1.277
21	Minimum Month Delivery Charge	\$ 869.00			\$ 869.00	\$ 427.00			\$ 1,296.00
22									
23	Gas Cost Recovery Charge	\$ 6.868		\$ (6.868)	\$ -		\$ 6.868	\$ -	\$ 6.868
24	RSAM Rate Rider	\$ 0.073	\$ (0.073)		\$ -		\$ -	\$ 0.144	\$ 0.144

There are currently no customers in these rate classes.

Attachment 2

Bill Continuity Schedule for Rate 1

Line No.	Jan. 1, 2007 Rates			Jan. 1, 2008 Rates			Existing Feb. 1, 2008 Rates			Proposed Apr 1, 2008 Rates		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$
1	Rate 1 Domestic Service Option B											
2												
3	<u>Monthly Charge</u>											
4	12 months x	\$4.11 =	\$49.32	12 months x	\$4.11 =	\$49.32	12 months x	\$5.45 =	\$65.40	12 months x	\$6.62 =	\$79.44
5	12 months x	0.00 =	0.00	12 months x	0.00 =	0.00	12 months x	0.00 =	0.00	12 months x	0.56 =	6.72
6	12 months x	0.15 =	1.80	12 months x	0.23 =	2.76	12 months x	0.23 =	2.76	12 months x	0.29 =	3.48
7	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88
8			\$18.00			\$216.00			\$19.42			\$233.04
9												
10	<u>Next 28 Gigajoules in any month</u>											
11	136 GJ x	\$1.202 =	\$163.47	136 GJ x	\$1.202 =	\$163.47	136 GJ x	\$1.595 =	\$216.92	136 GJ x	\$1.797 =	\$244.39
12	136 GJ x	0.000 =	0.00	136 GJ x	0.000 =	0.00	136 GJ x	0.000 =	0.00	136 GJ x	0.300 =	40.80
13	136 GJ x	0.073 =	9.93	136 GJ x	0.114 =	15.50	136 GJ x	0.114 =	15.50	136 GJ x	0.144 =	19.58
14	136 GJ x	6.868 =	934.05	136 GJ x	6.868 =	934.05	136 GJ x	6.868 =	934.05	136 GJ x	6.868 =	934.05
15			\$8.143			\$1,107.45			\$8.577			\$1,166.47
16												
17	<u>Excess of 30 Gigajoules in any month</u>											
18	0 GJ x	\$1.167 =	\$0.00	0 GJ x	\$1.167 =	\$0.00	0 GJ x	\$1.548 =	\$0.00	0 GJ x	\$1.739 =	\$0.00
19	0 GJ x	0.000 =	0.00	0 GJ x	0.000 =	0.00	0 GJ x	0.000 =	0.00	0 GJ x	0.540 =	0.00
20	0 GJ x	0.073 =	0.00	0 GJ x	0.114 =	0.00	0 GJ x	0.114 =	0.00	0 GJ x	0.144 =	0.00
21	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00
22			\$8.108			\$0.00			\$8.530			\$0.00
23												
24			160			160			160			160
25			GJ x			GJ x			GJ x			GJ x
26			\$8.272 =			\$1,323.45			\$8.747 =			\$1,399.51
27	<u>Summary of Annual Delivery and Commodity Charges</u>											
28	160 GJ x	\$1.403 =	\$224.52	160 GJ x	\$1.444 =	\$231.06	160 GJ x	\$1.879 =	\$300.58	160 GJ x	\$2.465 =	\$394.42
29	160 GJ x	\$6.868 =	\$1,098.93	160 GJ x	\$6.868 =	\$1,098.93	160 GJ x	\$6.868 =	\$1,098.93	160 GJ x	\$6.868 =	\$1,098.93
30			\$8.272 =			\$1,323.45			\$8.747 =			\$1,399.51

Bill Continuity Schedule for Rate 2.1

Line No.	Jan. 1, 2007 Rates			Jan. 1, 2008 Rates			Existing Feb. 1, 2008 Rates			Proposed Apr 1, 2008 Rates			
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$	
1	Rate 2.1 General Service												
2													
3	<u>Monthly Charge</u>												
4	Delivery Charge per month	12 months x	\$12.83 =	\$153.96	12 months x	\$12.83 =	\$153.96	12 months x	\$17.02 =	\$204.24	12 months x	\$19.90 =	\$238.80
5	Rider 2 - Jan to Mar 2008 Rate Increase Recovery per month	12 months x	0.00 =	0.00	12 months x	0.00 =	0.00	12 months x	0.00 =	0.00	12 months x	1.42 =	17.04
6	Rider 5 - RSAM per month	12 months x	0.15 =	1.80	12 months x	0.23 =	2.76	12 months x	0.23 =	2.76	12 months x	0.29 =	3.48
7	Gas Cost Recovery Charge per month	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88	12 months x	13.74 =	164.88
8	Minimum Monthly Charge (includes the first 2 gigajoules)		\$26.72 =	\$320.64		\$26.80 =	\$321.60		\$30.99 =	\$371.88		\$35.35 =	\$424.20
9													
10	<u>Next 298 Gigajoules in any month</u>												
11	Delivery Charge per GJ	526 GJ x	\$1.343 =	\$706.42	526 GJ x	\$1.343 =	\$706.42	526 GJ x	\$1.782 =	\$937.33	526 GJ x	\$2.000 =	\$1,052.00
12	Rider 2 - Jan to Mar 2008 Rate Increase Recovery per GJ	526 GJ x	0.000 =	0.00	526 GJ x	0.000 =	0.00	526 GJ x	0.000 =	0.00	526 GJ x	0.330 =	173.58
13	Rider 5 - RSAM per GJ	526 GJ x	0.073 =	38.40	526 GJ x	0.114 =	59.96	526 GJ x	0.114 =	59.96	526 GJ x	0.144 =	75.74
14	Gas Cost Recovery Charge per GJ	526 GJ x	6.868 =	3,612.57	526 GJ x	6.868 =	3,612.57	526 GJ x	6.868 =	3,612.57	526 GJ x	6.868 =	3,612.57
15	Total Charges per GJ		\$8.284	\$4,357.38		\$8.325	\$4,378.95		\$8.764	\$4,609.86		\$9.342	\$4,913.89
16													
17	<u>Excess of 300 Gigajoules in any month</u>												
18	Delivery Charge per GJ	0 GJ x	\$1.301 =	\$0.00	0 GJ x	\$1.301 =	\$0.00	0 GJ x	\$1.726 =	\$0.00	0 GJ x	\$1.939 =	\$0.00
19	Rider 2 - Jan to Mar 2008 Rate Increase Recovery per GJ	0 GJ x	0.000 =	0.00	0 GJ x	0.000 =	0.00	0 GJ x	0.000 =	0.00	0 GJ x	0.570 =	0.00
20	Rider 5 - RSAM per GJ	0 GJ x	0.073 =	0.00	0 GJ x	0.114 =	0.00	0 GJ x	0.114 =	0.00	0 GJ x	0.144 =	0.00
21	Gas Cost Recovery Charge per GJ	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00	0 GJ x	6.868 =	0.00
22	Total Charges per GJ		\$8.242	\$0.00		\$8.283	\$0.00		\$8.708	\$0.00		\$9.521	\$0.00
23													
24	Total	550 GJ x	\$8.505 =	\$4,678.02	550 GJ x	\$8.546 =	\$4,700.55	550 GJ x	\$9.058 =	\$4,981.74	550 GJ x	\$9.706 =	\$5,338.09
25													
26	<u>Summary of Annual Delivery and Commodity Charges</u>												
27	Delivery Charge (including RSAM)	550 GJ x	\$1.637 =	\$900.58	550 GJ x	\$1.678 =	\$923.10	550 GJ x	\$2.190 =	\$1,204.30	550 GJ x	\$2.838 =	\$1,560.64
28	Commodity Charge	550 GJ x	\$6.868 =	\$3,777.45	550 GJ x	\$6.868 =	\$3,777.45	550 GJ x	\$6.868 =	\$3,777.45	550 GJ x	\$6.868 =	\$3,777.45
29	Total	550 GJ x	\$8.505 =	\$4,678.02	550 GJ x	\$8.546 =	\$4,700.55	550 GJ x	\$9.058 =	\$4,981.74	550 GJ x	\$9.706 =	\$5,338.09

Bill Continuity Schedule for Rate 2.2

Line No.	Jan. 1, 2007 Rates				Jan. 1, 2008 Rates				Existing Feb. 1, 2008 Rates				Proposed Apr 1, 2008 Rates			
1	Rate 2.2 General Service															
2																
3	<u>Monthly Charge</u>															
4		12 months x	\$12.83 =	\$153.96		12 months x	\$12.83 =	\$153.96		12 months x	\$17.02 =	\$204.24		12 months x	\$19.90 =	\$238.80
5		12 months x	0.00 =	0.00		12 months x	0.00 =	0.00		12 months x	0.00 =	0.00		12 months x	1.42 =	17.04
6		12 months x	0.15 =	1.80		12 months x	0.23 =	2.76		12 months x	0.23 =	2.76		12 months x	0.29 =	3.48
7		12 months x	13.74 =	164.88		12 months x	13.74 =	164.88		12 months x	13.74 =	164.88		12 months x	13.74 =	164.88
8			\$26.72 =	\$320.64			\$26.80 =	\$321.60			\$30.99 =	\$371.88			\$35.35 =	\$424.20
9																
10	<u>Next 298 Gigajoules in any month</u>															
11		3,326 GJ x	\$1.343 =	\$4,466.82		3,326 GJ x	\$1.343 =	\$4,466.82		3,326 GJ x	\$1.782 =	\$5,926.93		3,326 GJ x	\$2.000 =	\$6,652.00
12		3,326 GJ x	0.000 =	0.00		3,326 GJ x	0.000 =	0.00		3,326 GJ x	0.000 =	0.00		3,326 GJ x	0.330 =	1,097.58
13		3,326 GJ x	0.073 =	242.80		3,326 GJ x	0.114 =	379.16		3,326 GJ x	0.114 =	379.16		3,326 GJ x	0.144 =	478.94
14		3,326 GJ x	6.868 =	22,842.97		3,326 GJ x	6.868 =	22,842.97		3,326 GJ x	6.868 =	22,842.97		3,326 GJ x	6.868 =	22,842.97
15			\$8.284 =	\$27,552.58			\$8.325 =	\$27,688.95			\$8.764 =	\$29,149.06			\$9.342 =	\$31,071.49
16																
17	<u>Excess of 300 Gigajoules in any month</u>															
18		0 GJ x	\$1.301 =	\$0.00		0 GJ x	\$1.301 =	\$0.00		0 GJ x	\$1.726 =	\$0.00		0 GJ x	\$1.939 =	\$0.00
19		0 GJ x	0.000 =	0.00		0 GJ x	0.000 =	0.00		0 GJ x	0.000 =	0.00		0 GJ x	0.570 =	0.00
20		0 GJ x	0.073 =	0.00		0 GJ x	0.114 =	0.00		0 GJ x	0.114 =	0.00		0 GJ x	0.144 =	0.00
21		0 GJ x	6.868 =	0.00		0 GJ x	6.868 =	0.00		0 GJ x	6.868 =	0.00		0 GJ x	6.868 =	0.00
22			\$8.242 =	\$0.00			\$8.283 =	\$0.00			\$8.708 =	\$0.00			\$9.521 =	\$0.00
23																
24		<u>3,350</u> GJ x	\$8.320 =	<u>\$27,873.22</u>		<u>3,350</u> GJ x	\$8.361 =	<u>\$28,010.55</u>		<u>3,350</u> GJ x	\$8.812 =	<u>\$29,520.94</u>		<u>3,350</u> GJ x	\$9.402 =	<u>\$31,495.69</u>
25																
26	<u>Summary of Annual Delivery and Commodity Charges</u>															
27		3,350 GJ x	\$1.452 =	\$4,865.38		3,350 GJ x	\$1.493 =	\$5,002.70		3,350 GJ x	\$1.944 =	\$6,513.10		3,350 GJ x	\$2.534 =	\$8,487.84
28		3,350 GJ x	\$6.868 =	\$23,007.85		3,350 GJ x	\$6.868 =	\$23,007.85		3,350 GJ x	\$6.868 =	\$23,007.85		3,350 GJ x	\$6.868 =	\$23,007.85
29		3,350 GJ x	\$8.320 =	\$27,873.22		3,350 GJ x	\$8.361 =	\$28,010.55		3,350 GJ x	\$8.812 =	\$29,520.94		3,350 GJ x	\$9.402 =	\$31,495.69

Bill Continuity Schedule for Rate 25

Line No.	Jan. 1, 2007 Rates			Jan. 1, 2008 Rates			Existing Feb. 1, 2008 Rates			Proposed Apr 1, 2008 Rates		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Volume	Rate	Annual \$
1	Rate 25 Transportation Service											
2												
3	<u>Transportation Delivery Charges</u>											
4												
5	Delivery Charge per Gigajoule											
6	240	GJ x \$1.131	= \$271.44	240	GJ x \$1.131	= \$271.44	240	GJ x \$1.501	= \$360.24	240	GJ x \$1.802	= \$432.48
7	3,120	GJ x \$1.049	= 3,272.88	3,120	GJ x \$1.049	= 3,272.88	3,120	GJ x \$1.392	= 4,343.04	3,120	GJ x \$1.670	= 5,210.40
8	202,640	GJ x \$0.856	= 173,459.84	202,640	GJ x \$0.856	= 173,459.84	202,640	GJ x \$1.136	= 230,199.04	202,640	GJ x \$1.360	= 275,590.40
9	12 months x	\$869.00	= -	12 months x	\$869.00	= -	12 months x	\$1,153.00	= -	12 months x	\$1,296.00	= -
10												
11	12 months x	\$202.00	= 2,424.00	12 months x	\$202.00	= 2,424.00	12 months x	\$202.00	= 2,424.00	12 months x	\$202.00	= 2,424.00
12												
13	206,000	GJ x \$0.073	= 15,038.00	206,000	GJ x \$0.114	= 23,484.00	206,000	GJ x \$0.114	= 23,484.00	206,000	GJ x \$0.144	= 29,664.00
14	Rider 5: RSAM per GJ											
15	<u>206,000</u>	GJ x \$0.944	= <u>\$194,466.16</u>	<u>206,000</u>	GJ x \$0.985	= <u>\$202,912.16</u>	<u>206,000</u>	GJ x \$1.266	= <u>\$260,810.32</u>	<u>206,000</u>	GJ x \$1.521	= <u>\$313,321.28</u>
16												
17	<u>Summary of Annual Delivery, Administration and Commodity Charges</u>											
18												
19	206,000	GJ x \$0.944	= \$194,466.16	206,000	GJ x \$0.985	= \$202,912.16	206,000	GJ x \$1.266	= \$260,810.32	206,000	GJ x \$1.521	= \$313,321.28
20	0	GJ	= \$0.00	0	GJ	= \$0.00	0	GJ	= \$0.00	0	GJ	= \$0.00
21	206,000	GJ x \$0.944	= <u>\$194,466.16</u>	206,000	GJ x \$0.985	= <u>\$202,912.16</u>	206,000	GJ x \$1.266	= <u>\$260,810.32</u>	206,000	GJ x \$1.521	= <u>\$313,321.28</u>