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VIA E-MAIL

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May 24, 2007

**TGI_DISTRIBUTION MOBILE
SOLUTION PROJECT CPCN EXHIBIT A-1**

Mr. Scott Thomson
Vice President, Finance and Regulatory Affairs
Terasen Gas Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8

Dear Mr. Thomson:

Re: Terasen Gas Inc.
Project No. 3698463/Order No. G-54-07
Certificate of Public Convenience and Necessity Application
for the Distribution Mobile Solution Project

Further to your May 7, 2007 application for a Certificate of Public Convenience and Necessity for the above noted Project, enclose is Order No. G-54-07 establishing a written public hearing and regulatory timetable.

Yours truly,

Original signed by:

Robert J. Pellatt

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Enclosure

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-54-07**



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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Terasen Gas Inc.
for Approval of a Certificate of Public Convenience and Necessity
Distribution Mobile Solution Project

BEFORE: L.F. Kelsey, Commissioner May 24, 2007
L.A. Zaozirny, Commissioner

O R D E R

WHEREAS:

- A. On May 10, 2007, the Commission received an Application for a Certificate of Public Convenience and Necessity ("CPCN") from Terasen Gas Inc ("TGI") dated May 7, 2007 (the "Application"), pursuant to Section 45 of the Utilities Commission Act (the "Act"), to implement a new Distribution Mobile Solution for an expected total capital expenditure of \$5.98 million. TGI requests that the Commission review this Application in an expedited fashion such that the project work can commence at the beginning of July 2007 with target completion by approximately August 31, 2008; and
- B. The Application was copied to the Registered Intervenor of TGI 2004-2007 Multi-Year Performance-Based Rate ("PBR") Plan and TGI 2006 Annual Review & Mid-Term Assessment Review; and
- C. In accordance with the Settlement Agreement for the 2004-2007 Multi-Year PBR Plan approved by Commission Order No. G-51-03 and extended by Order No. G-33-07 to 2008-2009, TGI is required to submit a CPCN for any capital project in excess of \$5 million; and
- D. TGI proposes that 10 percent of project costs be proportionally allocated to Terasen Gas (Vancouver Island) Inc. ("TGVI"), consistent with the Order No. G-112-04, where 10 percent of the Terasen Gas' SAP related costs were allocated to TGVI; and
- E. The Commission has determined that a public hearing process and regulatory timetable for the review of the Application should be established.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-54-07

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NOW THEREFORE the Commission orders as follows:

1. The CPCN Application for the Distribution Mobile Solution Project will be reviewed by a written public hearing process and a Regulatory Timetable is established as set out in Appendix A to this Order.
2. TGI and TGVI are to provide a copy of this Order, by e-mail or facsimile if possible, to all Intervenors, Stakeholders and Interested Parties registered in the following proceedings:
 - TGI Two-Year Extension of the 2004-2007 Multi-Year PBR Plan for 2008-2009;
 - TGI 2006 Annual Review and Mid-Term Assessment Review;
 - TGVI Extension of the 2006-2007 Negotiated Settlement Agreement Terms for 2008-2009.
3. Intervenors or Interested Parties should register with the Commission, in writing or electronic submission by Friday, June 1, 2007.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of May 2007.

BY ORDER

Original signed by:

L.F. Kelsey,
Commissioner

Attachment

An Application by Terasen Gas Inc. (“TGI”)
for a Certificate of Public Convenience and Necessity
for the Distribution Mobile Solution Project

REGULATORY TIMETABLE

Action	Date
Commission Information Request	Tuesday, May 29, 2007
Registration of Intervenors and Interested Parties	Friday, June 1, 2007
TGI response to Commission Information Request	Tuesday, June 5, 2007
Intervenors Information Request	Friday, June 8, 2007
TGI response to Intervenors Information Request	Tuesday, June 12, 2007
TGI Submission	Thursday, June 14, 2007
Intervenor Submissions	Monday, June 18, 2007
TGI Reply Submission	Wednesday, June 20, 2007