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December 3, 2007

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

Regulatory Affairs Correspondence  
Email: [regulatory\\_affairs@terasengas.com](mailto:regulatory_affairs@terasengas.com)

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. – Lower Mainland, Inland, and Columbia Service Areas  
Commodity Cost Reconciliation Account (“CCRA”) and Midstream Cost  
Reconciliation Account (“MCRA”) Quarterly Gas Costs and Rates, Including  
Customer Choice Deferred Cost Recovery Effective January 1, 2008  
2007 Fourth Quarter Gas Cost Report**

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The materials comprising the Terasen Gas Inc. (“Terasen Gas”) 2007 Fourth Quarter Gas Cost Report and the updates to the various Terasen Gas Customer Choice Program Deferred Cost Recoveries, comprising the Stable Commodity Rate Residential Service, the Residential Commodity Unbundling, and the Commercial Commodity Unbundling deferral accounts, to the British Columbia Utilities Commission (the “Commission”) are attached herein under Tabs 1 to 7.

Pursuant to Commission Order No. G-105-07, and in accordance with the Commission’s Decision, dated August 14, 2006, regarding the Residential Commodity Unbundling Project for Residential Customers Certificate of Public Convenience and Necessity Application which accompanied Commission Order No. C-6-06, Terasen Gas has transferred a pro-rata share of the October 31, 2007 CCRA balance to the MCRA for recovery through rates from eligible customers. The pro-rata share, based on the actual November 1, 2007 residential customer migration, was determined to be 7.78%, or approximately \$6.2 million (Tab 1, Page 1), before tax. This transferred amount has been streamed, and amortized over the 12-month period effective January 1, 2008, to all eligible residential customers within the midstream rate.

Also included under Tab 1 are the schedules showing the approved 2007 Core Market Administration Budget (Tab 1, Page 2.0), and the proposed 2008 Core Market Administration Budget (Tab 1, Page 2.1). The proposed 2008 Core Market Administration Budget has been utilized in the calculation of the 2008 CCRA and MCRA costs. Terasen Gas requests Commission approval of the 2008 Core Market Administration Budget.

Based on the November 26, 2007 forward prices, the December 31, 2007 CCRA balance is projected to be approximately \$38 million surplus, after tax. The CCRA ratio arising from the forward prices at November 26, 2007, the gas purchase cost assumptions, the forecast commodity cost recoveries at present rates for the twelve months ending December 31, 2008, and the projected December 31, 2007 deferral balance is 99.0% (Tab 2, Page 5, Line 11, Column 2). The ratio falls within the deadband range of 95% to 105%, indicating that a rate change is not required at this time.

Based on the November 26, 2007 forward prices, the December 31, 2007 MCRA balance is forecast to be approximately \$23 million deficit, after tax. The December 31, 2008 MCRA balance is forecast to be approximately \$32 million, after tax, based on the forward prices at November 26, 2007, the midstream gas supply cost assumptions, the forecast midstream cost recoveries at present rates, and the projected December 31, 2007 deferral balance – the MCRA ratio is calculated to be 87.5% (Tab 2, Page 5, Line 26, Column 2), indicating that midstream rates are currently under-recovering costs and that midstream rates should be increased effective January 1, 2008 in order to eliminate the forecast 2008 deficit accumulation in the MCRA.

Tab 3 provides the information related to the allocation of the forecast MCRA gas supply costs to the rate classes according to the Phase A Methodology. The schedules within this section indicate the change that would be required to the midstream rates to eliminate any forecast under-recovery of the 12-month forward midstream gas supply costs and the December 31, 2007 MCRA deficit balance (including deferred interest). The detailed rate for each rate class by service area is provided within Tab 3, Table B, Pages 1 to 1.2. Terasen Gas requests the Midstream rates be increased, effective January 1, 2008, as per these schedules to eliminate the current forecast under-recovery within the MCRA.

Tab 4 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 January 1, 2008 (Tab 4, Pages 1 and 1.1). The rate continuity schedules and the rate schedules showing bill impact calculations at typical annual consumption levels for Rate Schedules 1 to 7 are provided within Tabs 6 and 7, respectively, and include the proposed changes, effective January 1, 2008, to the Midstream Rate Riders as discussed below. 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.

### **Customer Choice Deferred Cost Recovery**

Pursuant to Commission Order No. G-170-06, dated December 15, 2006, the Stable Commodity Rate Residential Service Deferred Cost Recovery Rate Rider 9 was set at \$0.001/GJ, effective January 1, 2007, and the Commercial Commodity Unbundling Deferred Cost Recovery Rate Rider 8 was set at \$0.053/GJ, effective January 1, 2007. Terasen Gas has reviewed the actual and forecast costs and recoveries related to the Stable Commodity Rate Residential Service and the Commercial Commodity Unbundling deferral accounts, as well as the deferral accounts related to the new Residential Commodity Unbundling program, and Terasen Gas proposes the following changes effective January 1, 2008.

### **Stable Commodity Rate Residential Service Tariff (Rate Schedule 1S) and Deferral Account**

Pursuant to Commission Order No. C-6-06, dated August 14, 2006, the Stable Commodity Rate Residential Service offering will end December 31, 2007. Terasen Gas requests Commission approval to close Rate Schedule 1S, Stable Commodity Rate Residential Service, tariff effective January 1, 2008.

The attached schedule at Tab 5, Page 1 provides a summary of the deferral account balance at December 31, 2007, which is projected to be approximately \$9 thousand, after tax, and with the termination of the program there are no additions to the deferral account forecast during 2008. Normally, the rate rider required effective January 1, 2008 would be determined by amortizing the forecast December 31, 2008 deferred balance over the 12-month period of January 1, 2008 to December 31, 2008. As shown in the schedule (Tab 5, Page 1, Line 10), the forecast December 31, 2008 deficit balance is too small to allow a rate rider amount to be established, thus Terasen Gas requests approval to set Rate Rider 9 (Stable Commodity Rate Residential Service Deferred Cost Recovery Rate Rider) to zero effective January 1, 2008. Further, Terasen Gas requests Commission approval to close the Stable Commodity Rate Residential Service deferral account after December 31, 2007 and to transfer any residual balance to the Residential Commodity Unbundling O&M deferral account for recovery from the same group of eligible customers as the Stable Commodity Rate Residential Service deferral account.

#### Residential Commodity Unbundling Capital and O&M Deferral Accounts

Pursuant to Commission Order No. C-6-06, dated August 14, 2006, and the accompanying Commission Decision regarding the Residential Commodity Unbundling Project for Residential Customers Certificate of Public Convenience and Necessity Application, the Residential Commodity Unbundling Capital expenditures, including Allowance for Funds Utilized During Construction ("AFUDC"), were afforded deferral account treatment using a three-year amortization, and the Residential Commodity Unbundling O&M expenditures were afforded deferral account treatment using a one-year amortization cycle.

Terasen Gas has reviewed the actual and forecast costs and recoveries related to the Residential Commodity Unbundling deferral accounts, including the proposed transfer of the small residual deficit in the Stable Commodity Rate Residential Service deferral account, as described above. The summary of the Residential Commodity Unbundling Capital and O&M deferral account balances, net of marketer transaction fee recoveries, and amortization of those amounts, including any applicable AFUDC, to the eligible residential customers are shown in the schedules attached as Tab 5, Pages 2.0 to 2.2.

Terasen Gas requests the Residential Commodity Unbundling Capital and O&M deferral accounts be recovered via Rate Rider 8 (the same rider number currently being used for the recovery of the Commercial Commodity Unbundling deferral account balances from the eligible commercial customers). Terasen Gas also requests this new Residential Commodity Unbundling Deferred Cost Recovery Rate Rider be set at \$0.118/GJ, effective January 1, 2008, (Tab 5, Page 2.0, Line 14, Column 2). The per GJ rate rider will be applicable to all residential customers eligible to participate in the program (Rate Schedules 1, 1U, and 1X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson).

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### Commercial Commodity Unbundling Capital and O&M Deferral Accounts

The summary of the Commercial Commodity Unbundling Capital and O&M deferral account balances and amortization of those amounts, including any applicable AFUDC, to the eligible commercial customers are shown in the schedules attached as Tab 5, Pages 3.0 to 3.1. Pursuant to Commission Order No. G-170-06, dated December 15, 2006, the amortization period for the recovery of the deferred implementation costs was extended one additional year from the original three-year period. As shown within Tab 5, Page 3.0, 2008 is forecast to be the final year for amortization of the Commercial Commodity Unbundling Capital costs.

Terasen Gas requests the Commercial Commodity Unbundling Deferred Cost Recovery Rate Rider be reset to \$0.047/GJ, effective January 1, 2008, (Tab 5, Page 3.0, Line 12, Column 2) in order to recover the Capital and O&M related costs. The per GJ rate rider will be applicable to all commercial customers eligible to participate in the program (Rate Schedules 2, 2U, 2X, 3, 3U, and 3X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson).

In summary, Terasen Gas requests approval of the following changes effective January 1, 2008:

- Approval of the 2008 Core Market Administration Budget.
- Approval to increase the Midstream rates to the rates proposed for the Sales rate classes as shown in the schedules at Tab 3, Table B, Pages 1 to 1.2.
- Approval to close Rate Schedule 1S (Stable Commodity Rate Residential Service) tariff effective January 1, 2008.
- Approval to set Rate Rider 9 (Stable Commodity Rate Residential Service Deferred Cost Recovery Rate Rider) to zero effective January 1, 2008.
- Approval to close the Stable Commodity Rate Residential Service deferral account after December 31, 2007 and to transfer any residual balance, after the program closes on December 31, 2007, to the Residential Commodity Unbundling O&M deferral account.
- Approval to establish Rate Rider 8 (Residential Commodity Unbundling Deferred Cost Recovery Rate Rider), applicable to Rate Schedules 1, 1U, and 1X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson, at \$0.118/GJ effective January 1, 2008.
- Approval to reset Rate Rider 8 (Commercial Commodity Unbundling Deferred Cost Recovery Rate Rider), applicable to Rate Schedules 2, 2U, 2X, 3, 3U, and 3X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson, at \$0.047/GJ effective January 1, 2008.

The proposed aggregate rate changes would increase Lower Mainland Rate Schedule 1 Midstream rates by \$0.467/GJ, and increase a typical Lower Mainland Residential customer's annual bill by approximately \$51 or 3.97%.

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

All of which is respectfully submitted.

Sincerely,

**TERASEN GAS INC.**

***Original signed by: Tom Loski***

**For:** Scott A. Thomson

Attachments

**TERASEN GAS INC.**  
**LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS**  
**Calculation of the Prorata Transfer of October 31, 2007 CCRA Balance to MCRA Based on November 1, 2007 Residential Customer Migration**

Line No.	Particulars	(\$000)	(TJ)	(%)
1	CCRA Balance at October 31, 2007 - (Pre-Tax)	\$ 79,149.0		
2				
3				
4	Annualized CCRA Volumes Before Residential Unbundling <sup>1</sup>		105,436.0	
5				
6	Annualized Volume Related to the November 1, 2007 Residential Customer Migration <sup>2</sup>		8,197.8	
7				
8	Percentage of Annualized CCRA Volume Related to the November 1, 2007 Residential Customer Migration			7.78%
9				
10				
11	Calculated Value of the CCRA Surplus Transfer to the MCRA for the Residential Customer Migration	\$ 6,153.9		

Notes: (1) Annualized Volume (November 1, 2007 to October 31, 2008), net of the Commercial Unbundling Migration Volumes, that the CCRA balance would be amortized across before any Residential Unbundling Migration.  
(2) Annualized Volume (November 1, 2007 to October 31, 2008) related to the November 1, 2007 Residential Unbundling Customer Migration. At November 1, 2007, a total of 83,084 Residential Customers migrated to Marketers under the Customer Choice Program.

## CORE MARKET ADMINISTRATION BUDGET – 2007

As summarized in the 2004 Terasen Gas Inc. (Terasen Gas” or “TGI”) Annual Review and accepted by the British Columbia Utilities Commission (the “Commission”) (Appendix to Commission Order No. G-112-04), Gas Supply operations, and the resulting costs, for Terasen Gas (Whistler) Inc. (“TGW”), Terasen Gas (Vancouver Island) Inc. (“TGVI”), and Terasen Gas were combined.

The Net Core Market Administration Expense for 2007 was set to \$2,397,347, with an allocation of 1 percent to TGW, 10 percent to TGVI, and the remaining 89 percent to TGI. The 2007 Core Market Administration Budget was approved under Commission Order No. G-167-06.

	<b>Budget</b>
2006 Gross Core Market Administration Expense	\$ 2,501,811
Total increases (2.0%)	\$ 50,036
2007 Gross Core Market Administration Expense	\$ 2,551,847
Projected Core Market Energy Management Services (EMS) revenue recovery offset	(\$ 154,500)
2007 Net Core Market Administration Expense (2.0% over 2006)	\$ 2,397,347
TGI (89%)	\$ 2,133,639
TGVI (10%)	\$ 239,735
TGW (1%)	\$ 23,973

Terasen Gas currently forecasts that the actual 2007 Net Core Market Administration Expense will come in approximately \$200,000 under budget. Cost savings will be allocated to the three utilities (TGW, TGVI, and TGI) utilizing the same allocation method referenced above.

## CORE MARKET ADMINISTRATION BUDGET – 2008

In 2008, an increase of 2.0% is requested in order to accommodate inflation.

	<b>Budget</b>
2007 Gross Core Market Administration Expense	\$ 2,551,847
Total increases (2.0%)	\$ 51,037
2008 Gross Core Market Administration Expense	\$ 2,602,884
Projected Core Market Energy Management Services (EMS) revenue recovery offset	(\$ 162,132)
2008 Net Core Market Administration Expense (2.0% over 2007)	\$ 2,440,752
TGI (89%)	\$ 2,172,269
TGVI (10%)	\$ 244,075
TGW (1%)	\$ 24,408



**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)  
 November 26, 2007 Forward Curve

Line No.	Particulars	Recorded Previous Qtr (1*) Jul-Sep	2007 Recorded Oct	Proj Nov	2007 Proj Dec	2008 Forec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	Forec Sep	Forec Oct	Forec Nov	2008 Forec Dec	Total Jan-Dec
	(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	CCRA Balance, Beginning <sup>(1*)</sup>	\$ (55)	\$ (81)	\$ (79)	\$ (66)	\$ (56)	\$ (46)	\$ (36)	\$ (26)	\$ (25)	\$ (24)	\$ (23)	\$ (21)	\$ (19)	\$ (17)	\$ (14)	\$ (5)	\$ (56)
3																		
4	Gas Costs Incurred (Incl. Hedging, etc.)	177	62	57	62	67	63	66	55	57	56	58	58	57	59	63	68	727
5																		
6	Revenue From Commodity Cost Recovery Rates	(203)	(59)	(51)	(53)	(56)	(53)	(56)	(54)	(56)	(54)	(56)	(56)	(54)	(56)	(54)	(56)	(664)
7	Residential Migration Adjustment to CCRA			\$ 6														\$ -
8																		
9	CCRA Balance, Ending - Pre-Tax	<u>\$ (81)</u>	<u>\$ (79)</u>	<u>\$ (66)</u>	<u>\$ (57)</u>	<u>\$ (46)</u>	<u>\$ (36)</u>	<u>\$ (26)</u>	<u>\$ (25)</u>	<u>\$ (24)</u>	<u>\$ (23)</u>	<u>\$ (21)</u>	<u>\$ (19)</u>	<u>\$ (17)</u>	<u>\$ (14)</u>	<u>\$ (5)</u>	<u>\$ 7</u>	<u>\$ 7</u>
10																		
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (55)</u>	<u>\$ (53)</u>	<u>\$ (44)</u>	<u>\$ (38)</u>	<u>\$ (31)</u>	<u>\$ (24)</u>	<u>\$ (17)</u>	<u>\$ (17)</u>	<u>\$ (16)</u>	<u>\$ (15)</u>	<u>\$ (14)</u>	<u>\$ (13)</u>	<u>\$ (11)</u>	<u>\$ (9)</u>	<u>\$ (3)</u>	<u>\$ 5</u>	<u>\$ 5</u>
12																		
13	<b>MCRA Forecast (at existing rates)</b>																	
14	MCRA Balance, Beginning <sup>(1*)</sup>	\$ 5	\$ 37	\$ 40	\$ 38	\$ 35	\$ 23	\$ 16	\$ 9	\$ 13	\$ 20	\$ 30	\$ 41	\$ 52	\$ 62	\$ 64	\$ 60	\$ 35
15																		
16	Gas Costs Incurred (Incl. Hedging, etc.)	57	46	78	91	99	92	74	19	(9)	(16)	(21)	(24)	(15)	9	52	83	344
17																		
18	Revenue From Commodity Cost Recovery Rates	(25)	(42)	(74)	(95)	(111)	(99)	(81)	(15)	15	26	31	35	25	(7)	(57)	(96)	(332)
19	Residential Migration Adjustment to MCRA			\$ (6)														\$ -
20																		
21	MCRA Balance, Ending - Pre-Tax	<u>\$ 37</u>	<u>\$ 40</u>	<u>\$ 38</u>	<u>\$ 35</u>	<u>\$ 23</u>	<u>\$ 16</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 20</u>	<u>\$ 30</u>	<u>\$ 41</u>	<u>\$ 52</u>	<u>\$ 62</u>	<u>\$ 64</u>	<u>\$ 60</u>	<u>\$ 47</u>	<u>\$ 47</u>
22																		
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 25</u>	<u>\$ 27</u>	<u>\$ 26</u>	<u>\$ 23</u>	<u>\$ 16</u>	<u>\$ 10</u>	<u>\$ 6</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 20</u>	<u>\$ 27</u>	<u>\$ 35</u>	<u>\$ 42</u>	<u>\$ 43</u>	<u>\$ 40</u>	<u>\$ 32</u>	<u>\$ 32</u>
24																		
25	<b>Combined CCRA and MCRA Forecast (at existing rates)</b>																	
26																		
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (50)	\$ (44)	\$ (39)	\$ (28)	\$ (22)	\$ (22)	\$ (20)	\$ (16)	\$ (12)	\$ (4)	\$ 7	\$ 19	\$ 33	\$ 45	\$ 50	\$ 55	\$ (22)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	233	107	135	153	166	154	141	74	49	39	37	35	41	68	116	151	1,071
30																		
31	Revenue From Commodity Cost Recovery Rates	(228)	(102)	(124)	(147)	(167)	(152)	(137)	(69)	(41)	(28)	(25)	(21)	(29)	(63)	(111)	(152)	(996)
32	Residential Migration Adjustment to CCRA and MCRA			\$ -														\$ -
33																		
34	Combined Balance, Ending - Pre-Tax	<u>\$ (44)</u>	<u>\$ (39)</u>	<u>\$ (28)</u>	<u>\$ (22)</u>	<u>\$ (22)</u>	<u>\$ (20)</u>	<u>\$ (16)</u>	<u>\$ (12)</u>	<u>\$ (4)</u>	<u>\$ 7</u>	<u>\$ 19</u>	<u>\$ 33</u>	<u>\$ 45</u>	<u>\$ 50</u>	<u>\$ 55</u>	<u>\$ 54</u>	<u>\$ 54</u>
35																		
36	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (30)</u>	<u>\$ (26)</u>	<u>\$ (19)</u>	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>\$ (14)</u>	<u>\$ (11)</u>	<u>\$ (8)</u>	<u>\$ (3)</u>	<u>\$ 5</u>	<u>\$ 13</u>	<u>\$ 22</u>	<u>\$ 31</u>	<u>\$ 34</u>	<u>\$ 37</u>	<u>\$ 36</u>	<u>\$ 36</u>
37																		

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**  
**BCUC CCRA/MCRA GAS COST GUIDELINES**  
**CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)**  
 (\$ Millions)

November 26, 2007 Forward Curve

Line No.	Particulars	12 Month To Dec 31, 2008 Forecast	2009 Forec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	2009 Forec Sep	Forec Oct	Forec Nov	2009 Forec Dec	12 Month To Dec 31, 2009 Forecast	24 Month To Dec 31, 2009 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	<b>CCRA Forecast (at existing rates)</b>															
2	CCRA Balance, Beginning <sup>(1*)</sup>	\$ (56)	\$ 7	\$ 20	\$ 32	\$ 43	\$ 43	\$ 43	\$ 43	\$ 43	\$ 44	\$ 45	\$ 47	\$ 52	\$ 7	\$ (56)
3																
4	Gas Costs Incurred (Incl. Hedging, etc.)	727	69	62	67	54	56	54	56	57	55	58	60	64	713	1,440
5																
6	Revenue From Commodity Cost Recovery Rates	(664)	(56)	(51)	(56)	(54)	(56)	(54)	(56)	(56)	(54)	(56)	(54)	(56)	(660)	(1,323)
7	Residential Migration Adjustment to CCRA	\$ -												\$ -	\$ -	
8																
9	CCRA Balance, Ending - Pre-Tax	<u>\$ 7</u>	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 44</u>	<u>\$ 45</u>	<u>\$ 47</u>	<u>\$ 52</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>
10																
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 5</u>	<u>\$ 14</u>	<u>\$ 21</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 30</u>	<u>\$ 31</u>	<u>\$ 32</u>	<u>\$ 35</u>	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ 41</u>
12																
13	<b>MCRA Forecast (at existing rates)</b>															
14	MCRA Balance, Beginning <sup>(1*)</sup>	\$ 35	\$ 47	\$ 35	\$ 26	\$ 17	\$ 20	\$ 27	\$ 37	\$ 48	\$ 60	\$ 70	\$ 74	\$ 70	\$ 47	\$ 35
15																
16	Gas Costs Incurred (Incl. Hedging, etc.)	344	102	90	73	15	(9)	(17)	(21)	(25)	(16)	14	63	78	347	691
17																
18	Revenue From Commodity Cost Recovery Rates	(332)	(114)	(99)	(81)	(12)	16	27	33	37	26	(11)	(67)	(89)	(335)	(666)
19	Residential Migration Adjustment to MCRA	\$ -												\$ -	\$ -	
20																
21	MCRA Balance, Ending - Pre-Tax	<u>\$ 47</u>	<u>\$ 35</u>	<u>\$ 26</u>	<u>\$ 17</u>	<u>\$ 20</u>	<u>\$ 27</u>	<u>\$ 37</u>	<u>\$ 48</u>	<u>\$ 60</u>	<u>\$ 70</u>	<u>\$ 74</u>	<u>\$ 70</u>	<u>\$ 59</u>	<u>\$ 59</u>	<u>\$ 59</u>
22																
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 32</u>	<u>\$ 24</u>	<u>\$ 18</u>	<u>\$ 12</u>	<u>\$ 14</u>	<u>\$ 19</u>	<u>\$ 25</u>	<u>\$ 33</u>	<u>\$ 41</u>	<u>\$ 48</u>	<u>\$ 50</u>	<u>\$ 48</u>	<u>\$ 40</u>	<u>\$ 40</u>	<u>\$ 40</u>
24																
25	<b>Combined CCRA and MCRA Forecast (at existing rates)</b>															
26																
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (22)	\$ 54	\$ 55	\$ 58	\$ 61	\$ 64	\$ 70	\$ 80	\$ 92	\$ 105	\$ 116	\$ 121	\$ 122	\$ 54	\$ (22)
28																
29	Gas Costs Incurred (Incl. Hedging, etc.)	1,071	171	153	140	70	47	37	35	32	39	72	122	142	1,060	2,131
30																
31	Revenue From Commodity Cost Recovery Rates	(996)	(170)	(149)	(137)	(67)	(40)	(27)	(23)	(19)	(28)	(67)	(121)	(145)	(994)	(1,990)
32	Residential Migration Adjustment to CCRA and MCRA	\$ -	-											\$ -	\$ -	
33																
34	Combined Balance, Ending - Pre-Tax	<u>\$ 54</u>	<u>\$ 55</u>	<u>\$ 58</u>	<u>\$ 61</u>	<u>\$ 64</u>	<u>\$ 70</u>	<u>\$ 80</u>	<u>\$ 92</u>	<u>\$ 105</u>	<u>\$ 116</u>	<u>\$ 121</u>	<u>\$ 122</u>	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 120</u>
35																
36	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 36</u>	<u>\$ 37</u>	<u>\$ 39</u>	<u>\$ 41</u>	<u>\$ 43</u>	<u>\$ 48</u>	<u>\$ 54</u>	<u>\$ 62</u>	<u>\$ 71</u>	<u>\$ 78</u>	<u>\$ 82</u>	<u>\$ 83</u>	<u>\$ 81</u>	<u>\$ 81</u>	<u>\$ 81</u>
37																

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. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 SUMAS INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2009  
 AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Line No.	Particulars	October 1, 2007	January 1, 2008	Jan 1, 2008
		Trigger Test August 28, 2007 Forward Prices (Oct 1, 2007 Existing Tariff Rates)	Trigger Test November 26, 2007 Forward Prices (Quarterly Test Rates)	Trigger Test Less Oct 1, 2007 Forecast Difference
	(1)	(2)	(3)	(4)
1	<b>Sumas Index Prices - \$US/MMBTU</b>	<b>Jan 2007-Dec 2009</b>	<b>Jan 2007-Dec 2009</b>	
2	January 2007	\$ 6.41	\$ 6.41	\$ -
3	February	\$ 6.98	\$ 6.98	-
4	March	\$ 7.15	\$ 7.15	-
5	April	\$ 6.60	\$ 6.60	-
6	May	\$ 6.74	\$ 6.74	-
7	June	\$ 6.86	\$ 6.86	-
8	July	Rec. \$ 6.03	\$ 6.03	-
9	August	Proj. \$ 5.22	\$ 5.22	-
10	September	Forec. \$ 5.11	\$ 4.81	(0.30)
11	October	\$ 5.11	\$ 5.85	Rec. 0.74
12	November	\$ 6.50	\$ 7.45	Proj. 0.95
13	December	\$ 7.45	\$ 7.88	Forec. 0.43
14	Simple Average (Jan, 2007 - Dec, 2007)	\$ 6.35	\$ 6.50	2.4% \$ 0.15
15	Simple Average (Apr, 2007 - Mar, 2008)	\$ 6.51	\$ 6.75	3.7% \$ 0.24
16	Simple Average (Jul, 2007 - Jun, 2008)	\$ 6.52	\$ 6.86	5.2% \$ 0.34
17	Simple Average (Oct, 2007 - Sep, 2008)	\$ 6.89	\$ 7.37	7.0% \$ 0.48
18	January 2008	\$ 7.50	\$ 8.14	\$ 0.64
19	February	\$ 7.53	\$ 8.12	0.59
20	March	\$ 7.53	\$ 7.35	(0.18)
21	April	\$ 6.71	\$ 7.11	0.40
22	May	\$ 6.72	\$ 7.16	0.44
23	June	\$ 6.79	\$ 7.24	0.45
24	July	\$ 6.88	\$ 7.33	0.44
25	August	\$ 6.95	\$ 7.40	0.45
26	September	\$ 6.99	\$ 7.42	0.43
27	October	\$ 7.12	\$ 7.49	0.37
28	November	\$ 8.05	\$ 8.67	0.62
29	December	\$ 8.50	\$ 9.10	0.61
30	Simple Average (Jan, 2008 - Dec, 2008)	\$ 7.27	\$ 7.71	6.1% \$ 0.44
31	Simple Average (Apr, 2008 - Mar, 2009)	\$ 7.57	\$ 8.07	6.6% \$ 0.50
32	Simple Average (Jul, 2008 - Jun, 2009)	\$ 7.65	\$ 8.15	6.5% \$ 0.50
33	Simple Average (Oct, 2008 - Sep, 2009)	\$ 7.71	\$ 8.21	6.5% \$ 0.50
34	January 2009	\$ 8.78	\$ 9.37	\$ 0.59
35	February	\$ 8.78	\$ 9.37	0.60
36	March	\$ 8.53	\$ 9.13	0.61
37	April	\$ 7.10	\$ 7.50	0.40
38	May	\$ 7.02	\$ 7.46	0.44
39	June	\$ 7.08	\$ 7.51	0.43
40	July	\$ 7.16	\$ 7.58	0.43
41	August	\$ 7.22	\$ 7.63	0.42
42	September	\$ 7.25	\$ 7.65	0.40
43	October	\$ 7.34	\$ 7.71	0.37
44	November	\$ 8.19	\$ 8.55	0.37
45	December	\$ 8.53	\$ 8.92	0.39
46	Simple Average (Jan, 2009 - Dec, 2009)	\$ 7.75	\$ 8.20	5.8% \$ 0.45
47				
48				
49				
50				
51	<b>Conversion Factors</b>	<b>Forecast January 2008-December 2008</b>		
52	Exchange Rate \$US/\$CA	0.9410	1.0120	0.071
53	Exchange Rate \$CA/\$US	1.0627	0.9881	-7.0% (0.075)
54	GJ/MMBTU	1.055056	1.055056	

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 AECO INDEX PROJECTIONS  
 FOR THE PERIOD ENDING DECEMBER 31, 2009

Line No.	Particulars	October 1, 2007 Trigger Test August 28, 2007 Forward Prices (Oct 1, 2007 Existing Tariff Rates)	January 1, 2008 Trigger Test November 26, 2007 Forward Prices (Quarterly Test Rates)	Jan 1, 2008 Trigger Test Less Oct 1, 2007 Forecast Difference
	(1)	(2)	(3)	(4)
1	<b>AECO - \$CA/GJ</b>	<b>Jan 2007-Dec 2009</b>	<b>Jan 2007-Dec 2009</b>	
2	January 2007	\$ 6.92	\$ 6.92	\$ -
3	February	\$ 6.86	\$ 6.86	-
4	March	\$ 7.42	\$ 7.42	-
5	April	\$ 7.02	\$ 7.02	-
6	May	\$ 7.09	\$ 7.09	-
7	June	\$ 6.86	\$ 6.86	-
8	July	Rec. \$ 6.14	\$ 6.14	-
9	August	Proj. \$ 5.05	\$ 5.05	-
10	September	Forec. \$ 4.80	\$ 4.76	(0.04)
11	October	\$ 4.80	\$ 4.98	Rec. 0.18
12	November	\$ 5.77	\$ 5.82	Proj. 0.05
13	December	\$ 6.73	\$ 6.30	Forec. (0.43)
14	Simple Average (Jan, 2007 - Dec, 2007)	\$ 6.29	\$ 6.27	-0.3% \$ (0.02)
15	Simple Average (Apr, 2007 - Mar, 2008)	\$ 6.22	\$ 6.12	-1.6% \$ (0.10)
16	Simple Average (Jul, 2007 - Jun, 2008)	\$ 6.11	\$ 5.97	-2.3% \$ (0.14)
17	Simple Average (Oct, 2007 - Sep, 2008)	\$ 6.47	\$ 6.29	-2.8% \$ (0.18)
18	January 2008	\$ 6.78	\$ 6.50	\$ (0.28)
19	February	\$ 6.80	\$ 6.48	(0.32)
20	March	\$ 6.80	\$ 6.45	(0.34)
21	April	\$ 6.52	\$ 6.33	(0.20)
22	May	\$ 6.53	\$ 6.38	(0.15)
23	June	\$ 6.61	\$ 6.45	(0.15)
24	July	\$ 6.70	\$ 6.53	(0.17)
25	August	\$ 6.76	\$ 6.60	(0.16)
26	September	\$ 6.80	\$ 6.62	(0.18)
27	October	\$ 6.92	\$ 6.69	(0.24)
28	November	\$ 7.36	\$ 7.10	(0.26)
29	December	\$ 7.81	\$ 7.50	(0.31)
30	Simple Average (Jan, 2008 - Dec, 2008)	\$ 6.87	\$ 6.63	-3.5% \$ (0.24)
31	Simple Average (Apr, 2008 - Mar, 2009)	\$ 7.17	\$ 6.94	-3.2% \$ (0.23)
32	Simple Average (Jul, 2008 - Jun, 2009)	\$ 7.25	\$ 7.03	-3.0% \$ (0.22)
33	Simple Average (Oct, 2008 - Sep, 2009)	\$ 7.32	\$ 7.11	-2.9% \$ (0.21)
34	January 2009	\$ 8.09	\$ 7.75	\$ (0.34)
35	February	\$ 8.09	\$ 7.75	(0.34)
36	March	\$ 7.84	\$ 7.53	(0.31)
37	April	\$ 6.91	\$ 6.78	(0.13)
38	May	\$ 6.82	\$ 6.74	(0.09)
39	June	\$ 6.89	\$ 6.79	(0.10)
40	July	\$ 6.96	\$ 6.85	(0.11)
41	August	\$ 7.03	\$ 6.90	(0.13)
42	September	\$ 7.06	\$ 6.95	(0.12)
43	October	\$ 7.15	\$ 7.00	(0.15)
44	November	\$ 7.51	\$ 7.27	(0.24)
45	December	\$ 7.86	\$ 7.62	(0.24)
46	Simple Average (Jan, 2009 - Dec, 2009)	\$ 7.35	\$ 7.16	-2.6% \$ (0.19)

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS  
 STATION NO. 2 INDEX PROJECTIONS  
 FOR THE PERIOD ENDING DECEMBER 31, 2009

Line No.	Particulars	October 1, 2007 Trigger Test August 28, 2007 Forward Prices (Oct 1, 2007 Existing Tariff Rates)	January 1, 2008 Trigger Test November 26, 2007 Forward Prices (Quarterly Test Rates)	Jan 1, 2008 Trigger Test Less Oct 1, 2007 Forecast Difference
	(1)	(2)	(3)	(4)
1	<b>Station No. 2 - \$CA/GJ</b>	<b>Jan 2007-Dec 2009</b>	<b>Jan 2007-Dec 2009</b>	
2	January 2007	\$ 6.17	\$ 6.17	\$ -
3	February	\$ 7.08	\$ 7.08	-
4	March	\$ 7.10	\$ 7.10	-
5	April	\$ 6.79	\$ 6.79	-
6	May	\$ 6.69	\$ 6.69	-
7	June	\$ 6.56	\$ 6.56	-
8	July	Rec. \$ 5.62	\$ 5.62	-
9	August	Proj. \$ 4.72	\$ 4.73	0.01
10	September	Forec. \$ 4.82	\$ 4.36	(0.46)
11	October	\$ 4.80	\$ 5.07	Rec. 0.27
12	November	\$ 5.78	\$ 5.99	Proj. 0.21
13	December	\$ 6.74	\$ 6.46	Forec. (0.28)
14	Simple Average (Jan, 2007 - Dec, 2007)	\$ 6.07	\$ 6.05	-0.3% \$ (0.02)
15	Simple Average (Apr, 2007 - Mar, 2008)	\$ 6.08	\$ 6.02	-1.0% \$ (0.06)
16	Simple Average (Jul, 2007 - Jun, 2008)	\$ 6.01	\$ 5.91	-1.7% \$ (0.10)
17	Simple Average (Oct, 2007 - Sep, 2008)	\$ 6.40	\$ 6.30	-1.6% \$ (0.10)
18	January 2008	\$ 6.79	\$ 6.66	\$ (0.13)
19	February	\$ 6.81	\$ 6.64	(0.17)
20	March	\$ 6.81	\$ 6.61	(0.19)
21	April	\$ 6.39	\$ 6.20	(0.20)
22	May	\$ 6.40	\$ 6.25	(0.15)
23	June	\$ 6.48	\$ 6.32	(0.15)
24	July	\$ 6.57	\$ 6.40	(0.17)
25	August	\$ 6.63	\$ 6.47	(0.16)
26	September	\$ 6.67	\$ 6.49	(0.18)
27	October	\$ 6.79	\$ 6.56	(0.24)
28	November	\$ 7.37	\$ 7.14	(0.23)
29	December	\$ 7.82	\$ 7.54	(0.28)
30	Simple Average (Jan, 2008 - Dec, 2008)	\$ 6.79	\$ 6.61	-2.7% \$ (0.18)
31	Simple Average (Apr, 2008 - Mar, 2009)	\$ 7.10	\$ 6.88	-3.1% \$ (0.22)
32	Simple Average (Jul, 2008 - Jun, 2009)	\$ 7.18	\$ 6.97	-2.9% \$ (0.21)
33	Simple Average (Oct, 2008 - Sep, 2009)	\$ 7.25	\$ 7.06	-2.6% \$ (0.19)
34	January 2009	\$ 8.10	\$ 7.79	(0.31)
35	February	\$ 8.10	\$ 7.79	(0.31)
36	March	\$ 7.85	\$ 7.57	(0.28)
37	April	\$ 6.79	\$ 6.66	(0.13)
38	May	\$ 6.70	\$ 6.62	(0.09)
39	June	\$ 6.77	\$ 6.67	(0.10)
40	July	\$ 6.84	\$ 6.73	(0.11)
41	August	\$ 6.91	\$ 6.78	(0.12)
42	September	\$ 6.94	\$ 6.83	(0.12)
43	October	\$ 7.03	\$ 6.88	(0.15)
44	November	\$ 7.51	\$ 7.27	(0.24)
45	December	\$ 7.86	\$ 7.62	(0.24)
46	Simple Average (Jan, 2009 - Dec, 2009)	\$ 7.28	\$ 7.10	-2.5% \$ (0.18)

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**TERASEN GAS INC.**  
**COMBINED CCRA AND MCRA RECOVERY - TO - COST RATIOS**  
**FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008**  
**November 26, 2007 Forward Curve**  
**Recorded Balances to October 31, 2007**

Line No.	Particulars (1)	Balances (2)
		<b>\$(millions)</b>
1	<b>CCRA Rate Change Trigger Mechanism</b>	
2	Forecast Recovered Gas Costs per BCUC Guidelines (January 2008 - December 2008)	\$ 664
3	Projected Residential Migration Adjustment to CCRA	-
4	Total Recovered Gas Costs (January 2008 - December 2008)	<u>\$ 664</u>
5		
6	Forecast 12-month Gas Supply Cost (January 2008 - December 2008)	\$ 727
7		
8	Projected CCRA Grossed-up After Tax Balance (at December 31, 2007)	(56)
9	Total Gas Cost - Trigger Mechanism Denominator	<u>\$ 671</u>
10		
11	CCRA Trigger Mechanism Ratio	\$ 664 / \$ 671 = <u>99.0%</u>
12		
13		
14		
15		
16	<b>MCRA Ratio</b>	<b>\$(millions)</b>
17	Forecast Recovered Gas Costs per BCUC Guidelines (January 2008 - December 2008)	\$ 332
18	Projected Residential Migration Adjustment to CCRA	-
19	Total Recovered Gas Costs (January 2008 - December 2008)	<u>\$ 332</u>
20		
21	Forecast 12-month Gas Supply Cost (January 2008 - December 2008)	\$ 344
22		
23	MCRA Grossed-up After Tax Balance (at December 31, 2007)	35
24	Total Gas Cost - Denominator	<u>\$ 379</u>
25		
26	MCRA Ratio	\$ 332 / \$ 379 = <u>87.6%</u>
27		
28		
29		
30		
31	<b>COMBINED CCRA and MCRA RATIOS</b>	<b>\$(millions)</b>
32	Forecast Recovered Gas Costs per BCUC Guidelines (January 2008 - December 2008)	\$ 996
33	Projected Residential Migration Adjustment to CCRA and MCRA	-
34	Total Recovered Gas Costs ( January 2008 - December 2008)	<u>\$ 996</u>
35		
36	Forecast 12-month Gas Supply Cost (January 2008 - December 2008)	\$ 1,071
37		
38	(Tab 1, Page 1, Col. 5, Line 34)	(22)
39	Total Gas Cost - Denominator	<u>\$ 1,050</u>
40		
41	Combined CCRA and MCRA Ratio	\$ 996 / \$ 1,050 = <u>94.9%</u>
42		
43		
44		
45		
46		
47	Note: Slight differences in totals due to rounding.	

**GAS BUDGET COST SUMMARY**  
**FORWARD PRICES: November 26, 2007**  
**January 2008 to December 2008**

Line No.	Particulars	TJ's Delivered	(\$ Thousands)	\$/GJ	Comments
	(1)	(2)	(3)	(4)	(5)
1	<b>CCRA</b>				
2	<b><u>TERM PURCHASES</u></b>				
3	Hunt	0.0	\$ 0	\$ -	
4	Station #2	27,442.5	180,868	\$ 6.591	
5	Aeco	3,660.0	24,305	\$ 6.641	
6	TOTAL TERM PURCHASES	31,102.6	\$ 205,173	\$ 6.597	
7	<b><u>SEASONAL</u></b>				
8	Hunt	14,176.3	\$ 102,713	\$ 7.245	
9	Station #2	34,004.9	237,625	\$ 6.988	
10	Aeco	8,081.3	55,071	\$ 6.815	
11	TOTAL SEASONAL PURCHASES	56,262.6	\$ 395,409	\$ 7.028	
12	<b><u>SPOT</u></b>				
13	Hunt	205.0	\$ 1,674	\$ 8.166	
14	Station #2	5,665.6	36,238	\$ 6.396	
15	Aeco	2,640.0	17,112	\$ 6.482	
16	TOTAL SPOT PURCHASES	8,510.6	\$ 55,024	\$ 6.465	
17					
18	<b>TOTAL CCRA COMMODITY</b>	95,875.7	\$ 655,606	\$ 6.838	
19	<b>HEDGING (GAIN)/LOSS</b>		70,597		
20	<b>CCRA ADMINISTRATION COSTS</b>		652		
21	<b>FUEL IN KIND</b>	97,748.6			
22	<b>TOTAL CCRA</b>		<b>\$ 726,855</b>		
23	<b>MCRA</b>				
24	<b><u>MCRA COMMODITY</u></b>				
25	Kingsgate	3,119	\$ 21,744	\$ 6.971	
26	Hunt	8,048	\$ 62,429	\$ 7.757	
27	Station #2	21,681	\$ 130,041	\$ 5.998	
28	Aeco	-	\$ -		
29	TOTAL MCRA COMMODITY	32,847	214,214	\$ 6.521	
30					
31	PEAKING	40	\$ 487	\$ 12.183	Daily priced-assumed at 1.5 x month price
32	<b><u>TRANSPORTATION</u></b>				
33	WEI		\$ 78,584		
34	NOVA/ANG		\$ 10,060		
35	NWP		\$ 4,744		
36	TOTAL TRANSPORTATION		\$ 93,388		
37	<b><u>STORAGE GAS</u></b>				
38	<b><u>Injection</u></b>				
39	BC (Aitken)	(20,532)	-\$ 143,235	\$ 6.976	Includes LNG
40	Alberta (Carbon)	(2,983)	-\$ 20,267	\$ 6.794	
41	Downstream (JP/Mist)	(8,029)	-\$ 57,744	\$ 7.192	
42	TOTAL INJECTION	(31,544)	-\$ 221,246	\$ 7.014	
43	<b><u>Withdrawal</u></b>				
44	BC (Aitken)	19,648	\$ 143,393	\$ 7.298	Includes LNG
45	Alberta (Carbon)	2,952	\$ 21,006	\$ 7.115	
46	Downstream (JP/Mist)	8,677	\$ 64,672	\$ 7.453	
47	TOTAL WITHDRAWAL	31,277	\$ 229,071	\$ 7.324	
48	Storage Demand Charges (fixed only)				
49	BC (Aitken)		\$ 24,032		
50	Alberta (Carbon)		\$ 2,250		
51	Downstream (JP/Mist)		\$ 12,216		
52	TOTAL DEMAND CHARGE		\$ 38,498		
53	<b>NET STORAGE</b>		<b>\$ 46,322</b>		
54	<b><u>MITIGATION</u></b>				
55	Resale Commodity	(31,361)	-\$ 232,860		Both on/off system sales of surplus term & storage gas
56	Mitigation of Assets		-\$ 11,599		Includes transportation & storage
57	<b><u>Other Costs</u></b>				
58	Company Gas Use	261			Company Use, Heater Fuel, Compressor Fuel
59	GSMIP		\$ 1,000		
60	Terasen Gas Admin.		\$ 1,521		
61	<b>TOTAL MCRA</b>		<b>\$ 112,473</b>		
62					
63	<b>TOTAL BUDGET</b>		<b>\$ 839,328</b>		

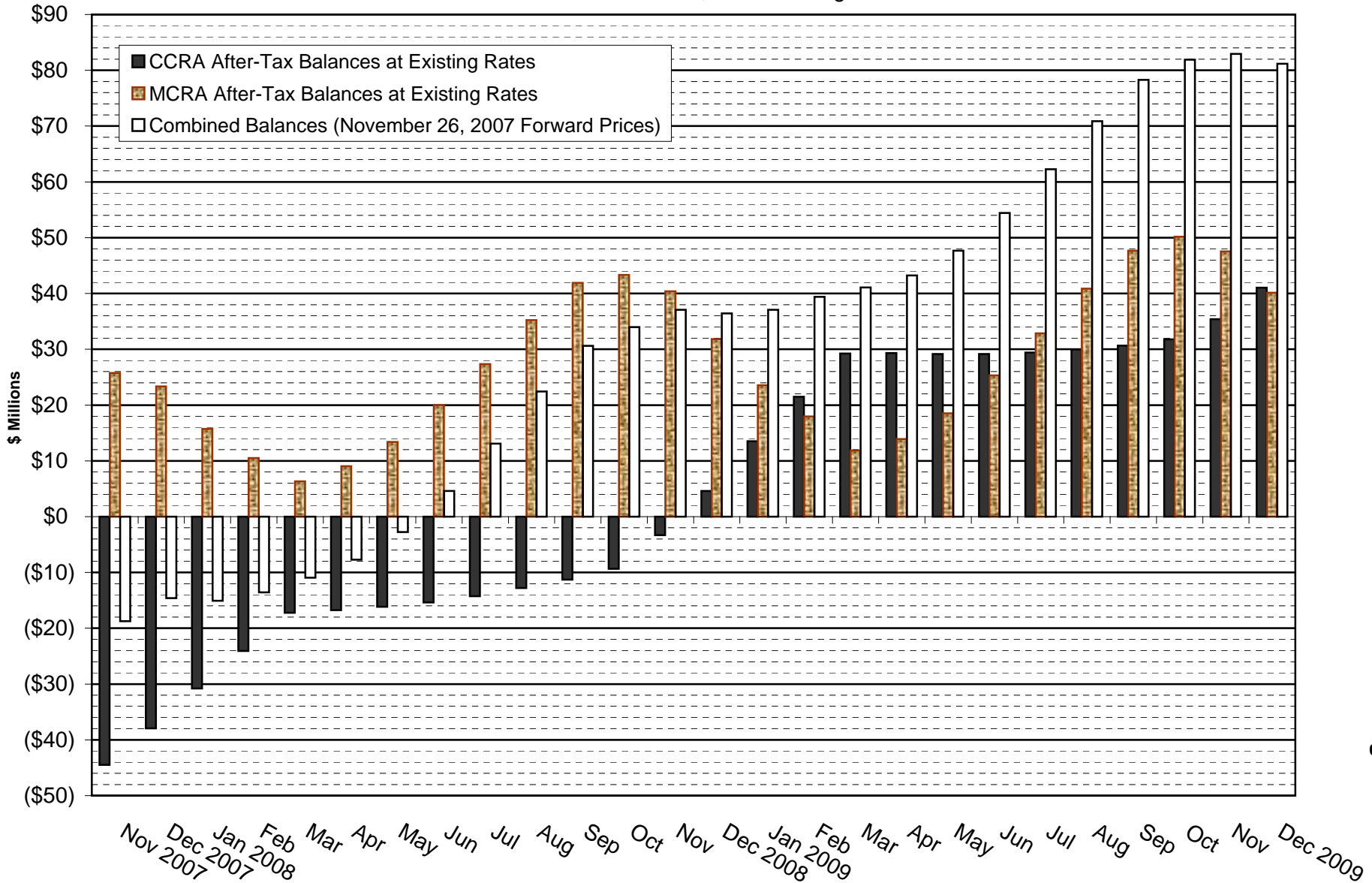
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**TERASEN GAS INC.**  
**RECONCILIATION OF GAS COSTS INCURRED**  
**FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2008**  
**(Forecast based on November 26, 2007 Forward Prices)**  
**\$(Millions)**

Line No.	Particulars (1)	CCRA/MCRA Deferral Acct Forecast (2)	Gas Budget Cost Summary (3)
1	<b>Gas Cost Incurred - CCRA/MCRA</b>		
2	12 Months Forecast to December 31, 2008		
3	(Tab 2, Page 1, Column 18, Line 29)	\$ 1,071	
4			
5	<b>Gas Budget Cost Summary</b>		
6	CCRA		\$ 727
7	MCRA		<u>112</u>
8	Total Net Costs for Firm Customers		839
9			
10	<b>Add Back Off-System Sales</b>		
11	Cost		205
12	Margin		22
13			
14	<b>Add Back On-System Sales</b>		
15	Cost		5
16	Margin		1
17			-
18			
19	Rounding		(1)
20			
21	<b>Reconciled Total Gas Costs Incurred</b>		
22	CCRA/ MCRA 12 Month Forecast	<u>\$ 1,071</u>	<u>\$ 1,071</u>
23			
24	Note:		
25	Slight differences in totals due to rounding.		



Terasen Gas Inc.  
 Lower Mainland, Inland and Columbia CCRA and MCRA Month-end Balances (After-Tax)  
 Recorded to October 31, 2007 and Estimate to December 31, 2009  
 At The October 1, 2007 Existing Rates



**TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA**  
**LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA**  
**FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008**  
**\$000**

**TAB 3**  
**TABLE A**  
**LOWER MAINLAND**  
**PAGE 1**

November 26, 2007 Forward Pricing  
 January 1, 2008 - December 31, 2008 FI.

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Line No.	Particulars	Residential		Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total LM Sales
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Rate 4		Rate 7		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	<b>SUMMARY</b>										
2											
3	<b>Sales Volume (TJ)</b>	46,974.1	12,732.1	9,987.9	2,939.2	86.4	72,719.7	80.0	10.9	72,810.6	
4											
5	<b>Gas Purchase Costs - \$000</b>										
6	Commodity Costs	\$ 321,733.4	\$ 87,204.3	\$ 68,408.8	\$ 20,131.1	\$ 591.8	\$ 498,069.3	\$ 19.0	\$ 54.6	\$ 498,142.9	
7	Commodity Tolls and Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
8	Fixed Costs	-	-	-	-	-	-	-	-	-	
9	Total Commodity & Demand	321,733.4	87,204.3	68,408.8	20,131.1	591.8	498,069.3	19.0	54.6	498,142.9	
10	Unamortized Deficit (Surplus) Net of RMA	(30,607.1)	(8,295.9)	(6,507.9)	(1,915.1)	(56.3)	(47,382.3)	(1.8)		(47,384.1)	
11	Hedge Loss (Gain) - Variable Cost	34,650.2	9,391.8	7,367.5	2,168.1	63.7	53,641.3	2.0		53,643.4	
12	Residential Migrationn Adj. (RMA) to CCRA	4,604.4	-	-	-	-	4,604.4	-		4,604.4	
13	Deferred Interest (Grossed-up)	(504.1)	(136.6)	(107.2)	(31.5)	(0.9)	(780.4)	(0.0)		(780.4)	
14	Core Market Administrative Costs - Fixed Cost	330.4	90.1	59.9	12.7	0.2	493.2	-	-	493.2	
15		<u>\$ 330,207.1</u>	<u>\$ 88,253.6</u>	<u>\$ 69,221.1</u>	<u>\$ 20,365.2</u>	<u>\$ 598.5</u>	<u>\$ 508,645.5</u>	<u>\$ 19.2</u>	<u>\$ 54.6</u>	<u>\$ 508,719.4</u>	
16											
17	<b>Unit Costs (\$/GJ)</b>										
18	Commodity Costs	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492				
19	Commodity Tolls and Fees	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000				
20	Fixed Costs	-	-	-	-	-	-				
21	Commodity & Demand / GJ	6.8492	6.8492	6.8492	6.8492	6.8492	6.8492				
22	Unamortized Deficit (Surplus) Net of RMA	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)				
23	Hedge Loss (Gain) - Variable Cost	0.7376	0.7376	0.7376	0.7376	0.7376	0.7376				
24	Residential Migrationn Adj. (RMA) to CCRA	0.0980	0.0000	0.0000	0.0000	0.0000	0.0633				
25	Deferred Interest (Grossed-up)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)				
26	Core Market Administrative Costs - Fixed Cost	0.0070	0.0071	0.0060	0.0043	0.0022	0.0068				
27		<u>\$ 7.0296</u>	<u>\$ 6.9316</u>	<u>\$ 6.9305</u>	<u>\$ 6.9288</u>	<u>\$ 6.9267</u>	<u>\$ 6.9946</u>				
28											

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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 DECEMBER 31, 2008**  
**\$000**

**TAB 3**  
**TABLE A**  
**INLAND**  
**PAGE 1.1**  
**November 26, 2007 Forward Pricing**  
**January 1, 2008 - December 31, 2008 FI.**

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total	Total
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	Inland	Sales LM & ING
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<b>SUMMARY</b>										
2											
3	Sales Volume (TJ)	14,336.0	4,311.8	1,626.1	470.6	13.2	20,757.7	81.3	8.4	20,847.4	93,658.0
4											
5	<b>Gas Purchase Costs - \$000</b>										
6	Commodity Costs	\$ 98,189.6	\$ 29,532.2	\$ 11,137.4	\$ 3,223.2	\$ 90.4	\$ 142,172.9	\$ 58.4	\$ 42.1	\$ 142,273.4	\$ 640,416.3
7	Commodity Tolls and Fees	-	-	-	-	-	-	-	-	-	-
8	Fixed Costs	-	-	-	-	-	-	-	-	-	-
9	Total Commodity & Demand	98,189.6	29,532.2	11,137.4	3,223.2	90.4	142,172.9	58.4	42.1	142,273.4	640,416.3
10	Unamortized Deficit (Surplus) Net of RMA	(9,341.0)	(2,809.5)	(1,059.5)	(306.6)	(8.6)	(13,525.2)	(5.6)		(13,530.8)	(60,914.9)
11	Hedge Loss (Gain) - Variable Cost	10,574.9	3,180.6	1,199.5	347.1	9.7	15,311.8	6.3		15,318.1	68,961.5
12	Residential Migrationn Adj. (RMA) to CCRA	1,405.2	-	-	-	-	1,405.2	-		1,405.2	6,009.6
13	Deferred Interest (Grossed-up)	(153.8)	(46.3)	(17.4)	(5.1)	(0.1)	(222.8)	(0.1)		(222.8)	(1,003.2)
14	Core Market Administrative Costs - Fixed Cost	100.8	30.5	9.7	2.0	0.0	143.2	-	-	143.2	636.4
15		<u>\$ 100,775.7</u>	<u>\$ 29,887.6</u>	<u>\$ 11,269.7</u>	<u>\$ 3,260.7</u>	<u>\$ 91.4</u>	<u>\$ 145,285.2</u>	<u>\$ 59.1</u>	<u>\$ 42.1</u>	<u>\$ 145,386.3</u>	<u>\$ 654,105.7</u>
16											
17	<b>Unit Costs (\$/GJ)</b>										
18	Commodity Costs	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492				
19	Commodity Tolls and Fees	-	-	-	-	-	-				
20	Fixed Costs	-	-	-	-	-	-				
21	Commodity & Demand / GJ	6.8492	6.8492	6.8492	6.8492	6.8492	6.8492				
22	Unamortized Deficit (Surplus) Net of RMA	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)				
23	Hedge Loss (Gain) - Variable Cost	0.7376	0.7376	0.7376	0.7376	0.7376	0.7376				
24	Residential Migrationn Adj. (RMA) to CCRA	0.0980	-	-	-	-	0.0677				
25	Deferred Interest (Grossed-up)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)				
26	Core Market Administrative Costs - Fixed Cost	0.0070	0.0071	0.0060	0.0043	0.0022	0.0069				
27		<u>\$ 7.0296</u>	<u>\$ 6.9316</u>	<u>\$ 6.9305</u>	<u>\$ 6.9288</u>	<u>\$ 6.9267</u>	<u>\$ 6.9991</u>				
28											

**TERASEN GAS INC. - COLUMBIA SERVICE AREA**  
**LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA**  
**FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008**  
**\$000**

TAB 3  
 TABLE A  
 COLUMBIA  
 PAGE 1.2

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November 26, 2007 Forward Pricing  
 January 1, 2008 - December 31, 2008 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total Columbia Sales	Total Sales LM, Inl & Col Serv. Areas
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	(10)	(11)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<b>SUMMARY</b>										
2											
3	Sales Volume (TJ)	1,472.3	525.7	167.7	52.0	-	2,217.7	-	-	2,217.7	95,875.7
4											
5	<b>Gas Purchase Costs - \$000</b>										
6	Commodity Costs	\$ 10,084.0	\$ 3,600.6	\$ 1,148.6	\$ 356.2	\$ -	\$ 15,189.4	\$ -	\$ -	\$ 15,189.4	\$ 655,605.7
7	Commodity Tolls and Fees	-	-	-	-	-	-	-	-	-	-
8	Fixed Costs	-	-	-	-	-	-	-	-	-	-
9	Total Commodity & Demand	10,084.0	3,600.6	1,148.6	356.2	-	15,189.4	-	-	15,189.4	655,605.7
10	Unamortized Deficit (Surplus) Net of RMA	(959.3)	(342.5)	(109.3)	(33.9)	-	(1,445.0)	-	-	(1,445.0)	(62,359.9)
11	Hedge Loss (Gain) - Variable Cost	1,086.0	387.8	123.7	38.4	-	1,635.9	-	-	1,635.9	70,597.4
12	Residential Migrationn Adj. (RMA) to CCRA	144.3	-	-	-	-	144.3	-	-	144.3	6,153.9
13	Deferred Interest (Grossed-up)	(15.8)	(5.6)	(1.8)	(0.6)	-	(23.8)	-	-	(23.8)	(1,027.0)
14	Core Market Administrative Costs - Fixed Cost	10.4	3.7	1.0	0.2	-	15.3	-	-	15.3	651.7
15		<u>\$ 10,349.6</u>	<u>\$ 3,643.9</u>	<u>\$ 1,162.2</u>	<u>\$ 360.3</u>	<u>\$ -</u>	<u>\$ 15,516.1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,516.1</u>	<u>\$ 669,621.8</u>
16											
17	<b>Unit Costs (\$/GJ)</b>										
18	Commodity Costs	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ 6.8492	\$ -	\$ -	\$ 6.8492	
19	Commodity Tolls and Fees	-	-	-	-	-	-	-	-	-	
20	Fixed Costs	-	-	-	-	-	-	-	-	-	
21	Commodity & Demand / GJ	6.8492	6.8492	6.8492	6.8492	6.8492	6.8492	-	-	6.8492	
22	Unamortized Deficit (Surplus) Net of RMA	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)	(0.6516)	-	-	(0.6516)	
23	Hedge Loss (Gain) - Variable Cost	0.7376	0.7376	0.7376	0.7376	0.7376	0.7376	-	-	0.7376	
24	Residential Migrationn Adj. (RMA) to CCRA	0.0980	-	-	-	-	0.0651	-	-	0.0651	
25	Deferred Interest (Grossed-up)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	(0.0107)	-	-	(0.0107)	
26	Core Market Administrative Costs - Fixed Cost	0.0070	0.0071	0.0060	0.0043	0.0022	0.0069	-	-	0.0069	
27		<u>\$ 7.0296</u>	<u>\$ 6.9316</u>	<u>\$ 6.9305</u>	<u>\$ 6.9288</u>	<u>\$ 6.9267</u>	<u>\$ 6.9965</u>				
28											

TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA  
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA  
 FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008  
 \$000

TAB 3  
 TABLE B  
 LOWER MAINLAND  
 PAGE 1  
 November 26, 2007 Forward Pricing  
 Jan 1, 2008 - December 31, 2008 FI.

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Line No.	Particulars	General Firm Service					Subtotal	Seasonal Rate 4	Large Industrial Interruptible Sales		Off-System Sales	Total LM Sales
		Residential Rate 1	Commercial Rate 2	Commercial Rate 3	General Firm Service Rate 5	NGV Rate 6			Rate 7	Rate 14 (Rate 10)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1	<b>SUMMARY</b>											
2												
3	Sales Volume (TJ)	53,827.0	17,364.4	13,018.3	2,939.2	86.4	87,235.3	80.0	10.9	589.6	30,546.6	118,462.4
4												
5	<b>Gas Purchase Costs - \$000</b>											
6	Commodity Costs	\$ 4,508.5	\$ 1,454.4	\$ 1,090.4	\$ 246.2	\$ 7.2	\$ 7,306.7	\$ 1.6	\$ 0.2	\$ 3,477.8	\$ 204,217.1	\$ 215,003.4
7	Commodity Tolls and Fees	(204.7)	(66.0)	(49.5)	(11.2)	(0.3)	(331.8)	(0.3)	(0.0)	16.7	989.4	674.0
8	Fixed Costs	46,165.4	14,990.8	9,517.0	1,542.8	22.7	72,238.5	-	-	-	-	72,238.5
9	Total Commodity & Demand	50,469.1	16,379.2	10,557.8	1,777.8	29.6	79,213.5	1.3	0.2	3,494.5	205,206.5	287,915.9
10	Amortization of Dec. 31, 2007 Adjusted Balance Fixed	19,689.5	6,393.6	4,059.0	658.0	9.7	30,809.8	-	0.0	0.0	0.0	30,809.8
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Residential Migration Adj. from CCRA Fixed	(4,602.2)	0.0	0.0	0.0	0.0	(4,602.2)	0.0	0.0	0.0	0.0	(4,602.2)
13	Deferred Interest (Grossed-up) Fixed	(1,198.8)	(389.3)	(247.1)	(40.1)	(0.6)	(1,875.9)	-	0.0	0.0	0.0	(1,875.9)
14	Core Market Administrative Costs - Fixed Cost	735.0	238.7	151.5	24.6	0.4	1,150.1	-	-	-	-	1,150.1
15		\$ 65,092.6	\$ 22,622.1	\$ 14,521.2	\$ 2,420.2	\$ 39.0	\$ 104,695.2	\$ 1.3	\$ 0.2	\$ 3,494.5	\$ 205,206.5	\$ 313,397.7
16												
17	<b>Unit Costs (\$/GJ)</b>											
18	Commodity Costs	\$ 0.0838	\$ 0.0838	\$ 0.0838	\$ 0.0838	\$ 0.0838	\$ 0.0838					
19	Commodity Tolls and Fees	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)					
20	Fixed Costs	0.8577	0.8633	0.7310	0.5249	0.2624	0.8281					
21	Commodity & Demand / GJ	0.9376	0.9433	0.8110	0.6048	0.3424	0.9080					
22	Amortization of Dec. 31, 2007 Adjusted Balance	0.3658	0.3682	0.3118	0.2239	0.1119	0.3532					
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-					
24	Residential Migration Adj. from CCRA	(0.0855)	-	-	-	-	(0.0528)					
25	Deferred Interest (Grossed-up)	(0.0223)	(0.0224)	(0.0190)	(0.0136)	(0.0068)	(0.0215)					
26	Core Market Administrative Costs - Fixed Cost	0.0137	0.0137	0.0116	0.0084	0.0042	0.0132					
27		\$ 1.2093	\$ 1.3028	\$ 1.1154	\$ 0.8234	\$ 0.4517	\$ 1.2001					
28												
29												
30	<b>AVERAGE COST OF GAS - \$/GJ</b>							<b>Tariff Equal To Rate 5</b>	<b>Fixed Price Option Equal To Rate 5</b>			
31	<b>Proposed MCRA Rates (January 1, 2008)</b>	\$ 1.209	\$ 1.303	\$ 1.115	\$ 0.823	\$ 0.452	\$ 1.200	\$ 0.823	\$ 0.823			
32												
33	Approved MCRA Rates (January 1, 2007)	0.859	0.865	0.761	0.614	0.420	0.836	0.614	0.614			
34												
35	Cost of Gas Increase (Decrease)	\$ 0.350	\$ 0.438	\$ 0.354	\$ 0.209	\$ 0.032	N/A	\$ 0.209	\$ 0.209			
36												
37	Cost of Gas Percentage Increase (Decrease)	40.7%	50.6%	46.5%	34.0%	7.6%	N/A	34.0%	34.0%			
38												
39	Existing MCRA Rider (January 1, 2007)	-	-	-	-	-	N/A	-	-			
40												
41	Proposed Rate Change including MCRA Rider	\$ 0.350	\$ 0.438	\$ 0.354	\$ 0.209	\$ 0.032	N/A	\$ 0.209	\$ 0.209			
42												
43												
44												
45	Note:	Amortization of December 31, 2007 balance (Line 12) includes projected grossed-up (using 2008 tax rate) after-tax MCRA December 31, 2007 balance with recorded balance to October 31, 2007.										
46		The balance was adjusted for the residential migration adjustment from CCRA which is streamed and prorated separately to residential customers only.										

Tab 3, Table B, Lower Mainland, Page 1

TERASEN GAS INC. - INLAND SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA  
FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008  
\$000

Line No.	Particulars	Residential Rate 1	Commercial Rate 2	Commercial Rate 3	General Firm Service Rate 5	NGV Rate 6	Subtotal	Seasonal Rate 4	Large Industrial Interruptible Sales Rate 7	Large Industrial Interruptible Sales Rate 14	Columbia	Total ING Sales	Total Sales LM & ING
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)	(9)	(10)	(11)	(12)
1	<b>SUMMARY</b>												
2													
3	Sales Volume (TJ)	16,424.8	5,853.0	2,161.7	470.6	13.2	24,923.3	81.3	8.4	244.4	0.0	25,257.4	143,719.8
4													
5	<b>Gas Purchase Costs - \$000</b>												
6	Commodity Costs	\$ 1,487.9	\$ 530.2	\$ 195.8	\$ 42.6	\$ 1.2	\$ 2,257.8	\$ 2.2	\$ 0.2	\$ 1,443.3	\$ -	\$ 3,703.6	\$ 218,707.0
7	Commodity Tolls and Fees	(62.5)	(22.3)	(8.2)	(1.8)	(0.1)	(94.9)	(0.3)	(0.0)	7.0	-	(88.3)	585.8
8	Fixed Costs	13,582.6	4,872.0	1,523.7	238.2	3.2	20,219.6	-	-	-	-	20,219.6	92,458.1
9	Total Commodity & Demand	15,008.0	5,379.9	1,711.3	279.0	4.3	22,382.5	1.9	0.2	1,450.3	-	23,835.0	311,750.9
10	Amortization of Dec. 31, 2007 Adjusted Balanc Fixed	6,014.1	2,157.2	674.7	105.5	1.4	8,952.8	-	0.0	0.0	0.0	8,952.8	39,762.6
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
12	Residential Migration Adj. from CCRA Fixed	(1,405.7)	0.0	0.0	0.0	0.0	(1,405.7)	0.0	0.0	0.0	0.0	(1,405.7)	(6,008.0)
13	Deferred Interest (Grossed-up) Fixed	(366.2)	(131.3)	(41.1)	(6.4)	(0.1)	(545.1)	-	0.0	0.0	0.0	(545.1)	(2,421.0)
14	Core Market Administrative Costs - Fixed Cost	224.5	80.5	25.2	3.9	0.1	334.2	-	-	-	-	334.2	1,484.2
15		\$ 19,474.6	\$ 7,486.3	\$ 2,370.1	\$ 382.0	\$ 5.7	\$ 29,718.7	\$ 1.9	\$ 0.2	\$ 1,450.3	\$ -	\$ 31,171.1	\$ 344,568.8
16													
17	<b>Unit Costs (\$/GJ)</b>												
18	Commodity Costs	\$ 0.0906	\$ 0.0906	\$ 0.0906	\$ 0.0906	\$ 0.0906	\$ 0.0906						
19	Commodity Tolls and Fees	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)						
20	Fixed Costs	0.8270	0.8324	0.7049	0.5061	0.2401	0.8113						
21	Commodity & Demand / GJ	0.9137	0.9192	0.7917	0.5929	0.3268	0.8981						
22	Amortization of Dec. 31, 2007 Adjusted Balance	0.3662	0.3686	0.3121	0.2241	0.1063	0.3592						
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-						
24	Residential Migration Adj. from CCRA	(0.0856)	-	-	-	-	(0.0564)						
25	Deferred Interest (Grossed-up)	(0.0223)	(0.0224)	(0.0190)	(0.0136)	(0.0065)	(0.0219)						
26	Core Market Administrative Costs - Fixed Cost	0.0137	0.0138	0.0116	0.0084	0.0040	0.0134						
27		\$ 1.1857	\$ 1.2791	\$ 1.0964	\$ 0.8117	\$ 0.4306	\$ 1.1924						
28													
29													
30	<b>AVERAGE COST OF GAS - \$/GJ</b>												
31	Proposed MCRA Rates (January 1, 2008)	\$ 1.186	\$ 1.279	\$ 1.096	\$ 0.812	\$ 0.431	\$ 1.192	\$ 0.812	\$ 0.812				
32													
33	Approved MCRA Rates (January 1, 2007)	0.850	0.856	0.756	0.615	0.424	0.837	0.615	0.615				
34													
35	Cost of Gas Increase (Decrease)	\$ 0.336	\$ 0.423	\$ 0.340	\$ 0.197	\$ 0.007	N/A	\$ 0.197	\$ 0.197				
36													
37	Cost of Gas Percentage Increase (Decrease)	39.5%	49.4%	45.0%	32.0%	1.7%	N/A	32.0%	32.0%				
38													
39	Existing MCRA Rider (January 1, 2007)	-	-	-	-	-	N/A	-	-				
40													
41	Proposed Rate Change including MCRA Rider	\$ 0.336	\$ 0.423	\$ 0.340	\$ 0.197	\$ 0.007	N/A	\$ 0.197	\$ 0.197				
42													
43													
44													
45	Note:	Amortization of December 31, 2007 balance (Line 12) includes projected grossed-up (using 2008 tax rate) after-tax MCRA December 31, 2007 balance with recorded balance to October 31, 2007.											
46		The balance was adjusted for the residential migration adjustment from CCRA which is streamed and prorated separately to residential customers only.											

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TERASEN GAS INC. - COLUMBIA SERVICE AREA  
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA  
FORECAST FOR THE 12 MONTHS ENDING DECEMBER 31, 2008  
\$000

TAB 3  
TABLE B  
COLUMBIA  
PAGE 1.2  
November 26, 2007 Forward Pricing  
Jan 1, 2008 - December 31, 2008 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total Col.	Total Sales LM, Inl & Col Serv. Areas
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	Sales	(11)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<b>SUMMARY</b>										
2											
3	Sales Volume (TJ)	1,688.4	718.8	222.1	52.0	-	2,681.4	-	-	2,681.4	146,401.2
4											
5	<b>Gas Purchase Costs - \$000</b>										
6	Commodity Costs	\$ 268.3	\$ 114.2	\$ 35.3	\$ 8.3	\$ -	\$ 426.1	\$ -	\$ -	\$ 426.1	219,133.1
7	Commodity Tolls and Fees	(6.5)	(2.8)	(0.9)	(0.2)	-	(10.3)	-	-	(10.3)	575.4
8	Fixed Costs	1,410.2	604.3	158.1	26.6	-	2,199.2	-	-	2,199.2	94,657.3
9	Total Commodity & Demand	1,672.0	715.7	192.6	34.6	-	2,614.9	-	-	2,614.9	314,365.9
10	Amortization of Dec. 31, 2007 Adjusted Balanc Fixed	624.4	267.6	70.0	11.8	-	973.7	-	-	973.7	40,736.3
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	-	-	-	-	-	-
12	Residential Migrationn Adj. from CCRA Fixed	(145.9)	0.0	0.0	-	-	(145.9)	-	-	(145.9)	(6,153.9)
13	Deferred Inerest (Grossed-up) Fixed	(38.0)	(16.3)	(4.3)	(0.7)	-	(59.3)	-	-	(59.3)	(2,480.2)
14	Core Market Administrative Costs - Fixed Cost	23.3	10.0	2.6	0.4	-	36.3	-	-	36.3	1,520.6
15		<u>\$ 2,135.7</u>	<u>\$ 977.0</u>	<u>\$ 261.0</u>	<u>\$ 46.1</u>	<u>\$ -</u>	<u>\$ 3,419.8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,419.8</u>	<u>\$ 347,988.6</u>
16											
17	<b>Unit Costs (\$/GJ)</b>										
18	Commodity Costs	\$ 0.1589	\$ 0.1589	\$ 0.1589	\$ 0.1589	\$ 0.0906	\$ 0.1589				
19	Commodity Tolls and Fees	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)	(0.0038)				
20	Fixed Costs	0.8352	0.8407	0.7119	0.5111	0.2401	0.8201				
21	Commodity & Demand / GJ	0.9903	0.9958	0.8670	0.6662	0.3268	0.9752				
22	Amortization of Dec. 31, 2007 Adjusted Balance	0.3698	0.3722	0.3152	0.2263	0.1063	0.3632				
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-				
24	Residential Migrationn Adj. from CCRA	(0.0864)	-	-	-	-	(0.0544)				
25	Deferred Inerest (Grossed-up)	(0.0225)	(0.0227)	(0.0192)	(0.0138)	(0.0065)	(0.1391)				
26	Core Market Administrative Costs - Fixed Cost	0.0138	0.0139	0.0118	0.0084	0.0040	0.0136				
27		<u>\$ 1.2649</u>	<u>\$ 1.3592</u>	<u>\$ 1.1747</u>	<u>\$ 0.8872</u>	<u>\$ 0.4306</u>	<u>\$ 1.1583</u>				
28											
29											
30	<b>AVERAGE COST OF GAS - \$/GJ</b>										
31	Proposed MCRA Rates (January 1, 2008)	\$ 1.265	\$ 1.359	\$ 1.175	\$ 0.887	\$ 0.431	\$ 1.158		Fixed Price Option Equal To Rate 5	\$ 0.887	
32											
33	Approved MCRA Rates (January 1, 2007)	0.912	0.918	0.817	0.676	0.424	0.900			0.676	
34											
35	Cost of Gas Increase (Decrease)	\$ 0.353	\$ 0.441	\$ 0.358	\$ 0.211	\$ 0.007	N/A			\$ 0.211	
36											
37	Cost of Gas Percentage Increase (Decrease)	38.7%	48.0%	43.8%	31.2%	1.7%	N/A			31.2%	
38											
39	Existing MCRA Rider (January 1, 2007)	-	-	-	-	-	N/A			-	
40											
41	Proposed Rate Change including MCRA Rider	<u>\$ 0.353</u>	<u>\$ 0.441</u>	<u>\$ 0.358</u>	<u>\$ 0.211</u>	<u>\$ 0.007</u>	<u>N/A</u>			<u>\$ 0.211</u>	
42											
43											
44											
45	Note:	Amortization of December 31, 2007 balance (Line 12) includes projected grossed-up (using 2008 tax rate) after-tax MCRA December 31, 2007 balance with recorded balance to October 31, 2007.									
46		The balance was adjusted for the residential migration adjustment from CCRA which is streamed and prorated separately to residential customers only.									

Tab 3, Table B, Columbia, Page 1.2

**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)  
 November 26, 2007 Forward Curve

Line No.	Particulars	Recorded Previous Qtr (1*) Jul-Sep	2007 Recorded Oct	Proj Nov	2007 Proj Dec	2008 Forec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	Forec Sep	Forec Oct	Forec Nov	2008 Forec Dec	Total Jan-Dec
	(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	CCRA Balance, Beginning <sup>(1*)</sup>	\$ (55)	\$ (81)	\$ (79)	\$ (66)	\$ (56)	\$ (46)	\$ (36)	\$ (26)	\$ (25)	\$ (24)	\$ (23)	\$ (21)	\$ (19)	\$ (17)	\$ (14)	\$ (5)	\$ (56)
3																		
4	Gas Costs Incurred (Incl. Hedging, etc.)	177	62	57	62	67	63	66	55	57	56	58	58	57	59	63	68	727
5																		
6	Revenue From Commodity Cost Recovery Rates	(203)	(59)	(51)	(53)	(56)	(53)	(56)	(54)	(56)	(54)	(56)	(56)	(54)	(56)	(54)	(56)	(664)
7	Residential Migration Adjustment to CCRA		\$ 6															\$ -
8																		
9	CCRA Balance, Ending - Pre-Tax	<u>\$ (81)</u>	<u>\$ (79)</u>	<u>\$ (66)</u>	<u>\$ (57)</u>	<u>\$ (46)</u>	<u>\$ (36)</u>	<u>\$ (26)</u>	<u>\$ (25)</u>	<u>\$ (24)</u>	<u>\$ (23)</u>	<u>\$ (21)</u>	<u>\$ (19)</u>	<u>\$ (17)</u>	<u>\$ (14)</u>	<u>\$ (5)</u>	<u>\$ 7</u>	<u>\$ 7</u>
10																		
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (55)</u>	<u>\$ (53)</u>	<u>\$ (44)</u>	<u>\$ (38)</u>	<u>\$ (31)</u>	<u>\$ (24)</u>	<u>\$ (17)</u>	<u>\$ (17)</u>	<u>\$ (16)</u>	<u>\$ (15)</u>	<u>\$ (14)</u>	<u>\$ (13)</u>	<u>\$ (11)</u>	<u>\$ (9)</u>	<u>\$ (3)</u>	<u>\$ 5</u>	<u>\$ 5</u>
12																		
13	<b>MCRA Forecast (at proposed rates)</b>																	
14	MCRA Balance, Beginning <sup>(1*)</sup>	\$ 5	\$ 37	\$ 40	\$ 38	\$ 35	\$ 16	\$ 3	\$ (8)	\$ (8)	\$ (4)	\$ 4	\$ 13	\$ 23	\$ 31	\$ 29	\$ 20	\$ 35
15																		
16	Gas Costs Incurred (Incl. Hedging, etc.)	57	46	78	91	99	92	74	19	(9)	(16)	(21)	(24)	(15)	9	52	83	344
17																		
18	Revenue From Commodity Cost Recovery Rates	(25)	(42)	(74)	(95)	(118)	(105)	(86)	(18)	12	24	30	34	23	(11)	(62)	(103)	(378)
19	Residential Migration Adjustment to MCRA		\$ (6)															\$ -
20																		
21	MCRA Balance, Ending - Pre-Tax	<u>\$ 37</u>	<u>\$ 40</u>	<u>\$ 38</u>	<u>\$ 35</u>	<u>\$ 16</u>	<u>\$ 3</u>	<u>\$ (8)</u>	<u>\$ (8)</u>	<u>\$ (4)</u>	<u>\$ 4</u>	<u>\$ 13</u>	<u>\$ 23</u>	<u>\$ 31</u>	<u>\$ 29</u>	<u>\$ 20</u>	<u>\$ 0</u>	<u>\$ 0</u>
22																		
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 25</u>	<u>\$ 27</u>	<u>\$ 26</u>	<u>\$ 23</u>	<u>\$ 11</u>	<u>\$ 2</u>	<u>\$ (6)</u>	<u>\$ (5)</u>	<u>\$ (3)</u>	<u>\$ 2</u>	<u>\$ 9</u>	<u>\$ 15</u>	<u>\$ 21</u>	<u>\$ 20</u>	<u>\$ 13</u>	<u>\$ 0</u>	<u>\$ 0</u>
24																		
25	<b>Combined CCRA and MCRA Forecast (at proposed rates)</b>																	
26																		
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (50)	\$ (44)	\$ (39)	\$ (28)	\$ (22)	\$ (29)	\$ (33)	\$ (34)	\$ (33)	\$ (28)	\$ (19)	\$ (9)	\$ 4	\$ 14	\$ 15	\$ 15	\$ (22)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	233	107	135	153	166	154	141	74	49	39	37	35	41	68	116	151	1,071
30																		
31	Revenue From Commodity Cost Recovery Rates	(228)	(102)	(124)	(147)	(174)	(158)	(142)	(73)	(44)	(30)	(27)	(22)	(31)	(67)	(116)	(159)	(1,042)
32	Residential Migration Adjustment to CCRA and MCRA		\$ -															\$ -
33																		
34	Combined Balance, Ending - Pre-Tax	<u>\$ (44)</u>	<u>\$ (39)</u>	<u>\$ (28)</u>	<u>\$ (22)</u>	<u>\$ (29)</u>	<u>\$ (33)</u>	<u>\$ (34)</u>	<u>\$ (33)</u>	<u>\$ (28)</u>	<u>\$ (19)</u>	<u>\$ (9)</u>	<u>\$ 4</u>	<u>\$ 14</u>	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 7</u>	<u>\$ 7</u>
35																		
36	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ (30)</u>	<u>\$ (26)</u>	<u>\$ (19)</u>	<u>\$ (15)</u>	<u>\$ (20)</u>	<u>\$ (22)</u>	<u>\$ (23)</u>	<u>\$ (22)</u>	<u>\$ (19)</u>	<u>\$ (13)</u>	<u>\$ (6)</u>	<u>\$ 3</u>	<u>\$ 9</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 5</u>	<u>\$ 5</u>
37																		

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**  
**BCUC CCRA/MCRA GAS COST GUIDELINES**  
**CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)**  
**(\$ Millions)**

Tab 4  
Page 1.1

November 26, 2007 Forward Curve

Line No.	Particulars	12 Month To Dec 31, 2008 Forecast	2009 Forec Jan	Forec Feb	Forec Mar	Forec Apr	Forec May	Forec Jun	Forec Jul	Forec Aug	2009 Forec Sep	Forec Oct	Forec Nov	2009 Forec Dec	12 Month To Dec 31, 2009 Forecast	24 Month To Dec 31, 2009 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	<b>CCRA Forecast (at existing rates)</b>															
2	CCRA Balance, Beginning <sup>(1*)</sup>	\$ (56)	\$ 7	\$ 20	\$ 32	\$ 43	\$ 43	\$ 43	\$ 43	\$ 43	\$ 44	\$ 45	\$ 47	\$ 52	\$ 7	\$ (56)
3																
4	Gas Costs Incurred (Incl. Hedging, etc.)	727	69	62	67	54	56	54	56	57	55	58	60	64	713	1,440
5																
6	Revenue From Commodity Cost Recovery Rates	(664)	(56)	(51)	(56)	(54)	(56)	(54)	(56)	(56)	(54)	(56)	(54)	(56)	(660)	(1,323)
7	Residential Migration Adjustment to CCRA	\$ -													\$ -	\$ -
8																
9	CCRA Balance, Ending - Pre-Tax	<u>\$ 7</u>	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 44</u>	<u>\$ 45</u>	<u>\$ 47</u>	<u>\$ 52</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>
10																
11	CCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 5</u>	<u>\$ 14</u>	<u>\$ 21</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 30</u>	<u>\$ 31</u>	<u>\$ 32</u>	<u>\$ 35</u>	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ 41</u>
12																
13	<b>MCRA Forecast (at proposed rates)</b>															
14	MCRA Balance, Beginning <sup>(1*)</sup>	\$ 35	\$ 0	\$ (18)	\$ (32)	\$ (45)	\$ (46)	\$ (41)	\$ (32)	\$ (23)	\$ (12)	\$ (4)	\$ (3)	\$ (11)	\$ 0	\$ 35
15																
16	Gas Costs Incurred (Incl. Hedging, etc.)	344	102	90	73	15	(9)	(17)	(21)	(25)	(16)	14	63	78	347	691
17																
18	Revenue From Commodity Cost Recovery Rates	(378)	(121)	(104)	(86)	(16)	14	26	31	35	25	(14)	(71)	(95)	(376)	(754)
19	Residential Migration Adjustment to MCRA	\$ -													\$ -	\$ -
20																
21	MCRA Balance, Ending - Pre-Tax	<u>\$ 0</u>	<u>\$ (18)</u>	<u>\$ (32)</u>	<u>\$ (45)</u>	<u>\$ (46)</u>	<u>\$ (41)</u>	<u>\$ (32)</u>	<u>\$ (23)</u>	<u>\$ (12)</u>	<u>\$ (4)</u>	<u>\$ (3)</u>	<u>\$ (11)</u>	<u>\$ (29)</u>	<u>\$ (29)</u>	<u>\$ (29)</u>
22																
23	MCRA Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 0</u>	<u>\$ (12)</u>	<u>\$ (22)</u>	<u>\$ (31)</u>	<u>\$ (31)</u>	<u>\$ (28)</u>	<u>\$ (22)</u>	<u>\$ (15)</u>	<u>\$ (8)</u>	<u>\$ (3)</u>	<u>\$ (2)</u>	<u>\$ (8)</u>	<u>\$ (20)</u>	<u>\$ (20)</u>	<u>\$ (20)</u>
24																
25	<b>Combined CCRA and MCRA Forecast (at proposed rates)</b>															
26																
27	Combined Balance, Beginning <sup>(1*)</sup>	\$ (22)	\$ 7	\$ 2	\$ 0	\$ (2)	\$ (2)	\$ 2	\$ 10	\$ 21	\$ 32	\$ 41	\$ 44	\$ 41	\$ 7	\$ (22)
28																
29	Gas Costs Incurred (Incl. Hedging, etc.)	1,071	171	153	140	70	47	37	35	32	39	72	122	142	1,060	2,131
30																
31	Revenue From Commodity Cost Recovery Rates	(1,042)	(177)	(155)	(142)	(70)	(42)	(29)	(25)	(21)	(29)	(70)	(125)	(151)	(1,035)	(2,078)
32	Residential Migration Adjustment to CCRA and MCRA	\$ -	-												\$ -	\$ -
33																
34	Combined Balance, Ending - Pre-Tax	<u>\$ 7</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>\$ 2</u>	<u>\$ 10</u>	<u>\$ 21</u>	<u>\$ 32</u>	<u>\$ 41</u>	<u>\$ 44</u>	<u>\$ 41</u>	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 32</u>
35																
36	Combined Balance, Ending - After Tax <sup>(2*)</sup>	<u>\$ 5</u>	<u>\$ 1</u>	<u>\$ (0)</u>	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 14</u>	<u>\$ 22</u>	<u>\$ 28</u>	<u>\$ 30</u>	<u>\$ 28</u>	<u>\$ 22</u>	<u>\$ 22</u>	<u>\$ 22</u>
37																

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.

Tab 4, Page 1.1

**TERASEN GAS INC.  
STABLE COMMODITY RATE RESIDENTIAL SERVICE PROGRAM COST AMORTIZATION SCHEDULE  
(RIDER 9)**

Line No.	Particulars	FY 2008 <sup>(A)</sup>
1	Projected Dec. 31, 2007 Deferred Account Balance	\$9,065.20
2	Projected 2008 Additions	\$0.00
3	Subtotal Deferral Costs	\$9,065.20
4	AFUDC @ 5.59% p.a.	\$279.32
5	Total Deferral Costs to be Recovered	\$9,344.52
6		
7	Forecast Annual Volume (GJ) <sup>(B)</sup>	71,940,200
8	Unit Cost / GJ (Net-of-Tax Amortization)	\$0.000
9		
10	Unit Cost / GJ (Gross Amortization)	\$0.000 <sup>(C)</sup>

Notes:

- 14 (A) All amounts are net of tax unless otherwise indicated.
- 15 (B) Forecast sale volumes for eligible residential customers (including Lower Mainland, Inland, and Columbia Rate Schedules 1, 1U, and 1X, excluding Revelstoke and Fort Nelson).
- 16
- 17 (C) Gross Amortization = Net-Of-Tax Amortization / (1 - 32.5% Tax Rate)

21	AFUDC rate	5.59%
22	AFUDC rate / month	0.47%
23	Amortization periods	12.00
24		
25		

	Opening Deferral Account Balance	Additions	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Deferral Account Balance	
27	Jan-08	\$9,065.20	\$0.00	\$42.61	\$9,107.80	(\$736.10)	(\$42.61)	(\$778.71)	\$8,329.09
28	Feb-08	\$8,329.09	\$0.00	\$39.15	\$8,368.24	(\$739.56)	(\$39.15)	(\$778.71)	\$7,589.53
29	Mar-08	\$7,589.53	\$0.00	\$35.67	\$7,625.20	(\$743.04)	(\$35.67)	(\$778.71)	\$6,846.49
30	Apr-08	\$6,846.49	\$0.00	\$32.18	\$6,878.67	(\$746.53)	(\$32.18)	(\$778.71)	\$6,099.96
31	May-08	\$6,099.96	\$0.00	\$28.67	\$6,128.63	(\$750.04)	(\$28.67)	(\$778.71)	\$5,349.92
32	Jun-08	\$5,349.92	\$0.00	\$25.14	\$5,375.06	(\$753.57)	(\$25.14)	(\$778.71)	\$4,596.35
33	Jul-08	\$4,596.35	\$0.00	\$21.60	\$4,617.96	(\$757.11)	(\$21.60)	(\$778.71)	\$3,839.25
34	Aug-08	\$3,839.25	\$0.00	\$18.04	\$3,857.29	(\$760.67)	(\$18.04)	(\$778.71)	\$3,078.58
35	Sep-08	\$3,078.58	\$0.00	\$14.47	\$3,093.05	(\$764.24)	(\$14.47)	(\$778.71)	\$2,314.34
36	Oct-08	\$2,314.34	\$0.00	\$10.88	\$2,325.22	(\$767.83)	(\$10.88)	(\$778.71)	\$1,546.51
37	Nov-08	\$1,546.51	\$0.00	\$7.27	\$1,553.78	(\$771.44)	(\$7.27)	(\$778.71)	\$775.07
38	Dec-08	\$775.07	\$0.00	\$3.64	\$778.71	(\$775.07)	(\$3.64)	(\$778.71)	\$0.00
39									
40	<b>TOTAL</b>	\$0.00	\$279.32			(\$9,065.20)	(\$279.32)		\$0.00

**TERATERASEN GAS INC.  
RESIDENTIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - CAPITAL & O&M  
(Rider 8 - Residential)**

Line No.	Particulars	FY 2008		FY 2009		FY 2010		TOTAL	
	(1)	(2)		(3)		(4)		(5)	
1	Projected Dec. 31, 2007 Deferred Account Balance - Capital Cost <sup>(B)</sup>								\$9,049,700.00
2									
3	Deferral Amortization	\$2,849,922.97		\$3,013,439.38		\$3,186,337.65			\$9,049,700.00
4	AFUDC @ 5.59% p.a.	433,751.44		270,235.04		97,336.76			801,323.24
5	Sub-total	<u>\$3,283,674.41</u>		<u>\$3,283,674.41</u>		<u>\$3,283,674.41</u>			<u>\$9,851,023.24</u>
6									
7	Forecast Annual Volume (GJ) <sup>(C)</sup>	<u>71,940,200</u>		<u>72,215,200</u>		<u>72,489,900</u>			<u>216,645,300</u>
8									
9			<sup>(D)</sup>						
		Net of Tax	Gross	Net of Tax	Gross	Net of Tax	Gross	Net of Tax	Gross
		Amortization	Amortization	Amortization	Amortization	Amortization	Amortization	Amortization	Amortization
10	Unit Cost / GJ - Capital Cost	\$0.046	\$0.068	\$0.045	\$0.067	\$0.045	\$0.066	\$0.136	\$0.200
11									
12	Unit Cost / GJ - O&M Cost (Tab 6, Page 2.2, Line 15)	\$0.034	\$0.050						
13									
14	Unit Cost / GJ - Total Capital and O&M Costs	<u>\$0.080</u>	<u>\$0.118</u>						
15									
16									
17									

- 18 Notes:
- 19 (A) All amounts are net of tax unless otherwise indicated.
- 20
- 21 (B) Projected Dec 31, 2007 balance includes AFUDC to that date.
- 22
- 23 (C) Forecast sale volumes for eligible residential customers (including Lower Mainland, Inland, and Columbia Rate Schedules 1, 1U and 1X, excluding Revelstoke and Fort Nelson).
- 24
- 25 (D) Gross Amortization = Net-Of-Tax Amortization / (1 - Tax Rate). Tax Rates for 2008 to 2010 are 32.5%, 32% and 31% respectively.

TERATERASEN GAS INC.  
 RESIDENTIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - CAPITAL  
 (Rider 8 - Residential)

Line No.	Particulars							Ending Deferral Account Balance
		(1)						
1	AFUDC rate			5.59%				
2	AFUDC rate / month			0.47%				
3	Amortization periods			36				
4								
		<b>Opening Deferral Account Balance</b>	<b>AFUDC</b>	<b>Sub-total</b>	<b>Amortization - Deferral</b>	<b>Amortization - AFUDC</b>	<b>Total Amortization</b>	<b>Ending Deferral Account Balance</b>
5	Jan-08	\$9,049,700.00	\$42,171.60	\$9,091,871.60	(\$231,467.93)	(\$42,171.60)	(\$273,639.53)	\$8,818,232.07
6	Feb-08	\$8,818,232.07	\$41,092.96	\$8,859,325.03	(\$232,546.57)	(\$41,092.96)	(\$273,639.53)	\$8,585,685.49
7	Mar-08	\$8,585,685.49	\$40,009.29	\$8,625,694.79	(\$233,630.24)	(\$40,009.29)	(\$273,639.53)	\$8,352,055.25
8	Apr-08	\$8,352,055.25	\$38,920.58	\$8,390,975.83	(\$234,718.96)	(\$38,920.58)	(\$273,639.53)	\$8,117,336.30
9	May-08	\$8,117,336.30	\$37,826.79	\$8,155,163.08	(\$235,812.75)	(\$37,826.79)	(\$273,639.53)	\$7,881,523.55
10	Jun-08	\$7,881,523.55	\$36,727.90	\$7,918,251.45	(\$236,911.63)	(\$36,727.90)	(\$273,639.53)	\$7,644,611.91
11	Jul-08	\$7,644,611.91	\$35,623.89	\$7,680,235.81	(\$238,015.64)	(\$35,623.89)	(\$273,639.53)	\$7,406,596.27
12	Aug-08	\$7,406,596.27	\$34,514.74	\$7,441,111.01	(\$239,124.80)	(\$34,514.74)	(\$273,639.53)	\$7,167,471.48
13	Sep-08	\$7,167,471.48	\$33,400.42	\$7,200,871.89	(\$240,239.12)	(\$33,400.42)	(\$273,639.53)	\$6,927,232.36
14	Oct-08	\$6,927,232.36	\$32,280.90	\$6,959,513.26	(\$241,358.63)	(\$32,280.90)	(\$273,639.53)	\$6,685,873.73
15	Nov-08	\$6,685,873.73	\$31,156.17	\$6,717,029.90	(\$242,483.36)	(\$31,156.17)	(\$273,639.53)	\$6,443,390.36
16	Dec-08	\$6,443,390.36	\$30,026.20	\$6,473,416.56	(\$243,613.34)	(\$30,026.20)	(\$273,639.53)	\$6,199,777.03
17	Jan-09	\$6,199,777.03	\$28,890.96	\$6,228,667.99	(\$244,748.57)	(\$28,890.96)	(\$273,639.53)	\$5,955,028.45
18	Feb-09	\$5,955,028.45	\$27,750.43	\$5,982,778.89	(\$245,889.10)	(\$27,750.43)	(\$273,639.53)	\$5,709,139.35
19	Mar-09	\$5,709,139.35	\$26,604.59	\$5,735,743.94	(\$247,034.95)	(\$26,604.59)	(\$273,639.53)	\$5,462,104.41
20	Apr-09	\$5,462,104.41	\$25,453.41	\$5,487,557.81	(\$248,186.13)	(\$25,453.41)	(\$273,639.53)	\$5,213,918.28
21	May-09	\$5,213,918.28	\$24,296.86	\$5,238,215.14	(\$249,342.68)	(\$24,296.86)	(\$273,639.53)	\$4,964,575.60
22	Jun-09	\$4,964,575.60	\$23,134.92	\$4,987,710.53	(\$250,504.61)	(\$23,134.92)	(\$273,639.53)	\$4,714,070.99
23	Jul-09	\$4,714,070.99	\$21,967.57	\$4,736,038.56	(\$251,671.96)	(\$21,967.57)	(\$273,639.53)	\$4,462,399.03
24	Aug-09	\$4,462,399.03	\$20,794.78	\$4,483,193.81	(\$252,844.76)	(\$20,794.78)	(\$273,639.53)	\$4,209,554.27
25	Sep-09	\$4,209,554.27	\$19,616.52	\$4,229,170.80	(\$254,023.01)	(\$19,616.52)	(\$273,639.53)	\$3,955,531.26
26	Oct-09	\$3,955,531.26	\$18,432.78	\$3,973,964.04	(\$255,206.76)	(\$18,432.78)	(\$273,639.53)	\$3,700,324.50
27	Nov-09	\$3,700,324.50	\$17,243.51	\$3,717,568.01	(\$256,396.02)	(\$17,243.51)	(\$273,639.53)	\$3,443,928.48
28	Dec-09	\$3,443,928.48	\$16,048.71	\$3,459,977.19	(\$257,590.83)	(\$16,048.71)	(\$273,639.53)	<b>\$3,186,337.65</b>
29	Jan-10	\$3,186,337.65	\$14,848.33	\$3,201,185.99	(\$258,791.20)	(\$14,848.33)	(\$273,639.53)	\$2,927,546.45
30	Feb-10	\$2,927,546.45	\$13,642.37	\$2,941,188.82	(\$259,997.17)	(\$13,642.37)	(\$273,639.53)	\$2,667,549.28
31	Mar-10	\$2,667,549.28	\$12,430.78	\$2,679,980.06	(\$261,208.75)	(\$12,430.78)	(\$273,639.53)	\$2,406,340.53
32	Apr-10	\$2,406,340.53	\$11,213.55	\$2,417,554.08	(\$262,425.99)	(\$11,213.55)	(\$273,639.53)	\$2,143,914.54
33	May-10	\$2,143,914.54	\$9,990.64	\$2,153,905.18	(\$263,648.89)	(\$9,990.64)	(\$273,639.53)	\$1,880,265.65
34	Jun-10	\$1,880,265.65	\$8,762.04	\$1,889,027.69	(\$264,877.50)	(\$8,762.04)	(\$273,639.53)	\$1,615,388.15
35	Jul-10	\$1,615,388.15	\$7,527.71	\$1,622,915.86	(\$266,111.83)	(\$7,527.71)	(\$273,639.53)	\$1,349,276.33
36	Aug-10	\$1,349,276.33	\$6,287.63	\$1,355,563.95	(\$267,351.91)	(\$6,287.63)	(\$273,639.53)	\$1,081,924.42
37	Sep-10	\$1,081,924.42	\$5,041.77	\$1,086,966.19	(\$268,597.77)	(\$5,041.77)	(\$273,639.53)	\$813,326.65
38	Oct-10	\$813,326.65	\$3,790.10	\$817,116.75	(\$269,849.43)	(\$3,790.10)	(\$273,639.53)	\$543,477.22
39	Nov-10	\$543,477.22	\$2,532.60	\$546,009.82	(\$271,106.93)	(\$2,532.60)	(\$273,639.53)	\$272,370.29
40	Dec-10	\$272,370.29	\$1,269.25	\$273,639.53	(\$272,370.29)	(\$1,269.25)	(\$273,639.53)	<b>\$0.00</b>
41								
42	<b>TOTAL</b>	<b>\$9,049,700.00</b>	<b>\$801,323.24</b>		<b>(\$9,049,700.00)</b>	<b>(\$801,323.24)</b>		<b>\$0.00</b>

**TERASEN GAS INC.  
RESIDENTIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - O & M**

**Tab 5  
Page 2.2**

Line No.	Particulars	(A)						
		FY 2008						
	(1)	(2)						
1	Projected Dec. 31, 2007 Deferred Account Balance <sup>(B)</sup>		\$299,031.00					
2	Projected 2008 Additions		\$2,059,568.00					
3	Transfer Projected Dec. 31, 2007 Deferred Account Balance of Stable							
4	Commodity Rate Residential Service Program (Tab 6, Page 1, Line 1)		\$9,065.20					
5	Subtotal Deferral Costs		\$2,367,664.20					
6								
7	Deferral Amortization		\$2,367,664.20					
8	AFUDC @ 5.59% p.a.		\$72,327.79					
9	Sub-total		\$2,439,991.99					
10								
11	Forecast Annual Volume (GJ) <sup>(C)</sup>		71,940,200					
12				(D)				
13			Net of Tax	Gross				
14			Amortization	Amortization				
15	Unit Cost / GJ - O&M Cost		\$0.034	\$0.050				
16								
17								
18	Notes:							
19	(A) All amounts are net of tax unless otherwise indicated.							
20	(B) Projected Dec 31, 2007 balance includes AFUDC to that date.							
21	(C) Forecast sale volumes for eligible residential customers (including Lower Mainland, Inland, and Columbia Rate Schedules							
22	1, 1U and 1X, excluding Revelstoke and Fort Nelson).							
23	(D) Gross Amortization = Net-Of-Tax Amortization / (1 - 32.5% Tax Rate)							
24								
25								
26	AFUDC rate		5.59%					
27	AFUDC rate / month		0.47%					
28	Amortization periods		12					
29								
30		Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance
31	Jan-08	\$2,367,664.20	\$11,033.32	\$2,378,697.51	(\$192,299.35)	(\$11,033.32)	(\$203,332.67)	\$2,175,364.85
32	Feb-08	\$2,175,364.85	\$10,137.20	\$2,185,502.05	(\$193,195.47)	(\$10,137.20)	(\$203,332.67)	\$1,982,169.38
33	Mar-08	\$1,982,169.38	\$9,236.91	\$1,991,406.29	(\$194,095.76)	(\$9,236.91)	(\$203,332.67)	\$1,788,073.62
34	Apr-08	\$1,788,073.62	\$8,332.42	\$1,796,406.05	(\$195,000.24)	(\$8,332.42)	(\$203,332.67)	\$1,593,073.38
35	May-08	\$1,593,073.38	\$7,423.72	\$1,600,497.10	(\$195,908.94)	(\$7,423.72)	(\$203,332.67)	\$1,397,164.44
36	Jun-08	\$1,397,164.44	\$6,510.79	\$1,403,675.22	(\$196,821.88)	(\$6,510.79)	(\$203,332.67)	\$1,200,342.56
37	Jul-08	\$1,200,342.56	\$5,593.60	\$1,205,936.15	(\$197,739.07)	(\$5,593.60)	(\$203,332.67)	\$1,002,603.49
38	Aug-08	\$1,002,603.49	\$4,672.13	\$1,007,275.62	(\$198,660.53)	(\$4,672.13)	(\$203,332.67)	\$803,942.96
39	Sep-08	\$803,942.96	\$3,746.37	\$807,689.33	(\$199,586.29)	(\$3,746.37)	(\$203,332.67)	\$604,356.66
40	Oct-08	\$604,356.66	\$2,816.30	\$607,172.97	(\$200,516.36)	(\$2,816.30)	(\$203,332.67)	\$403,840.30
41	Nov-08	\$403,840.30	\$1,881.90	\$405,722.20	(\$201,450.77)	(\$1,881.90)	(\$203,332.67)	\$202,389.53
42	Dec-08	\$202,389.53	\$943.14	\$203,332.67	(\$202,389.53)	(\$943.14)	(\$203,332.67)	\$0.00
43	TOTAL	\$2,367,664.20	\$72,327.79		(\$2,367,664.20)	(\$72,327.79)		\$0.00

**TERATERASEN GAS INC.**  
**COMMERCIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - CAPITAL & O&M**  
**(Rider 8 - Commercial)**

**Tab 5**  
**Page 3.0**

Line No.	Particulars	(A)		
		FY 2008		
	(1)	(2)		
1	Projected Dec. 31, 2007 Deferred Account Balance - Capital Cost <sup>(B)</sup>	\$1,290,500.00		
2				
3	Deferral Amortization	\$1,290,500.00		
4	AFUDC @ 5.59% p.a.	39,422.40		
5	Sub-total	<u>\$1,329,922.40</u>		
6				
7	Forecast Annual Volume (GJ) <sup>(C)</sup>	<u>39,116,000</u>		
8				
9				(D)
		Net of Tax	Gross	
		Amortization	Amortization	
10	Unit Cost / GJ - Capital Cost	\$0.034	\$0.050	
11	Unit Cost / GJ - O&M Cost (Tab 6, Page 3.1, Line 13)	(\$0.002)	(\$0.003)	
12	Unit Cost / GJ - Total Capital and O&M Costs	<u>\$0.032</u>	<u>\$0.047</u>	
13				
14				
15				

Notes:

- 17 (A) All amounts are net of tax unless otherwise indicated.  
18 (B) Projected Dec 31, 2007 balance includes AFUDC to that date.  
19 (C) Forecast sale volumes for eligible commercial customers (including Lower Mainland, Inland, and Columbia  
20 Rate Schedules 2, 2U, 2X, 3, 3U, and 3X, excluding Revelstoke and Fort Nelson).  
21 (D) Gross Amortization = Net-Of-Tax Amortization / (1 - 32.5% Tax Rate)

24	AFUDC rate	5.59%
25	AFUDC rate / month	0.47%
26	Amortization periods	12

	Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance	
29	Jan-08	\$1,290,500.00	\$6,013.73	\$1,296,513.73	(\$104,813.14)	(\$6,013.73)	(\$110,826.87)	\$1,185,686.86
30	Feb-08	\$1,185,686.86	\$5,525.30	\$1,191,212.16	(\$105,301.57)	(\$5,525.30)	(\$110,826.87)	\$1,080,385.30
31	Mar-08	\$1,080,385.30	\$5,034.60	\$1,085,419.89	(\$105,792.27)	(\$5,034.60)	(\$110,826.87)	\$974,593.03
32	Apr-08	\$974,593.03	\$4,541.60	\$979,134.63	(\$106,285.26)	(\$4,541.60)	(\$110,826.87)	\$868,307.76
33	May-08	\$868,307.76	\$4,046.31	\$872,354.08	(\$106,780.55)	(\$4,046.31)	(\$110,826.87)	\$761,527.21
34	Jun-08	\$761,527.21	\$3,548.72	\$765,075.93	(\$107,278.15)	(\$3,548.72)	(\$110,826.87)	\$654,249.06
35	Jul-08	\$654,249.06	\$3,048.80	\$657,297.86	(\$107,778.07)	(\$3,048.80)	(\$110,826.87)	\$546,470.99
36	Aug-08	\$546,470.99	\$2,546.55	\$549,017.55	(\$108,280.31)	(\$2,546.55)	(\$110,826.87)	\$438,190.68
37	Sep-08	\$438,190.68	\$2,041.97	\$440,232.65	(\$108,784.90)	(\$2,041.97)	(\$110,826.87)	\$329,405.78
38	Oct-08	\$329,405.78	\$1,535.03	\$330,940.81	(\$109,291.84)	(\$1,535.03)	(\$110,826.87)	\$220,113.95
39	Nov-08	\$220,113.95	\$1,025.73	\$221,139.68	(\$109,801.14)	(\$1,025.73)	(\$110,826.87)	\$110,312.81
40	Dec-08	\$110,312.81	\$514.06	\$110,826.87	(\$110,312.81)	(\$514.06)	(\$110,826.87)	\$0.00
41	<b>TOTAL</b>	<b>\$1,290,500.00</b>	<b>\$39,422.40</b>		<b>(\$1,290,500.00)</b>	<b>(\$39,422.40)</b>		<b>\$0.00</b>

**TERASEN GAS INC.  
COMMERCIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - O & M  
(Rider 8 - Commercial)**

**Tab 5  
Page 3.1**

Line No.	Particulars	(A)	
		FY 2008	
	(1)	(2)	
1	Projected Dec. 31, 2007 Deferred Account Balance <sup>(B)</sup>		(\$60,900.00)
2	Projected 2008 Additions		(\$17,838.23)
3	Subtotal Deferral Costs		(\$78,738.23)
4			
5	Deferral Amortization		(\$78,738.22)
6	AFUDC @ 5.59% p.a.		(\$2,405.31)
7	Sub-total		(\$81,143.53)
8			
9	Forecast Annual Volume (GJ) <sup>(C)</sup>		39,116,000
10			
11		Net of Tax	Gross <sup>(D)</sup>
		Amortization	Amortization
12			
13	Unit Cost / GJ - O&M Cost	(\$0.002)	(\$0.003)
14			
15			

Notes:

- 17 (A) All amounts are net of tax unless otherwise indicated.  
18 (B) Projected Dec 31, 2007 balance includes AFUDC to that date.  
19 (C) Forecast sale volumes for eligible commercial customers (including Lower Mainland, Inland, and Columbia  
20 Rate Schedules 2, 2U, 2X, 3, 3U, and 3X, excluding Revelstoke and Fort Nelson).  
21 (D) Gross Amortization = Net-Of-Tax Amortization / (1 - 32.5% Tax Rate)

24	AFUDC rate	5.59%
25	AFUDC rate / month	0.47%
26	Amortization periods	12

	Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance	
29	Jan-08	(\$78,738.23)	(\$366.92)	(\$79,105.15)	\$6,395.04	\$366.92	\$6,761.96	(\$72,343.18)
30	Feb-08	(\$72,343.18)	(\$337.12)	(\$72,680.30)	\$6,424.84	\$337.12	\$6,761.96	(\$65,918.34)
31	Mar-08	(\$65,918.34)	(\$307.18)	(\$66,225.52)	\$6,454.78	\$307.18	\$6,761.96	(\$59,463.56)
32	Apr-08	(\$59,463.56)	(\$277.10)	(\$59,740.66)	\$6,484.86	\$277.10	\$6,761.96	(\$52,978.70)
33	May-08	(\$52,978.70)	(\$246.88)	(\$53,225.58)	\$6,515.08	\$246.88	\$6,761.96	(\$46,463.62)
34	Jun-08	(\$46,463.62)	(\$216.52)	(\$46,680.14)	\$6,545.44	\$216.52	\$6,761.96	(\$39,918.18)
35	Jul-08	(\$39,918.18)	(\$186.02)	(\$40,104.20)	\$6,575.94	\$186.02	\$6,761.96	(\$33,342.24)
36	Aug-08	(\$33,342.24)	(\$155.37)	(\$33,497.61)	\$6,606.59	\$155.37	\$6,761.96	(\$26,735.65)
37	Sep-08	(\$26,735.65)	(\$124.59)	(\$26,860.24)	\$6,637.37	\$124.59	\$6,761.96	(\$20,098.28)
38	Oct-08	(\$20,098.28)	(\$93.66)	(\$20,191.94)	\$6,668.30	\$93.66	\$6,761.96	(\$13,429.97)
39	Nov-08	(\$13,429.97)	(\$62.58)	(\$13,492.56)	\$6,699.38	\$62.58	\$6,761.96	(\$6,730.60)
40	Dec-08	(\$6,730.60)	(\$31.36)	(\$6,761.96)	\$6,730.60	\$31.36	\$6,761.96	(\$0.00)
41	<b>TOTAL</b>	<b>(\$78,738.23)</b>	<b>(\$2,405.31)</b>		<b>\$78,738.22</b>	<b>\$2,405.31</b>		<b>\$0.00</b>

TERASEN GAS INC.  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
 EFFECTIVE JANUARY 1, 2008  
 BCUC ORDER NO. G-\_\_-07

<b>RATE SCHEDULE 1: RESIDENTIAL SERVICE</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$10.94	\$10.94	\$10.94	\$0.00	\$0.00	\$0.00	\$10.94	\$10.94	\$10.94
3										
4	Delivery Charge per gigajoule	\$2.736	\$2.736	\$2.736	\$0.000	\$0.000	\$0.000	\$2.736	\$2.736	\$2.736
5										
6	Rider 3 ESM	(\$0.108)	(\$0.108)	(\$0.108)	\$0.000	\$0.000	\$0.000	(\$0.108)	(\$0.108)	(\$0.108)
7	Rider 5 RSAM	\$0.145	\$0.145	\$0.145	\$0.000	\$0.000	\$0.000	\$0.145	\$0.145	\$0.145
8	Subtotal Delivery Margin Related Charges per gigajoule	<u>\$2.773</u>	<u>\$2.773</u>	<u>\$2.773</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$2.773</u>	<u>\$2.773</u>	<u>\$2.773</u>
9										
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge per gigajoule	\$6.926	\$6.926	\$6.926	\$0.000	\$0.000	\$0.000	\$6.926	\$6.926	\$6.926
13	Midstream Cost Recovery Charge per gigajoule	\$0.859	\$0.850	\$0.912	\$0.350	\$0.336	\$0.353	\$1.209	\$1.186	\$1.265
14	Propane Surcharge (Revelstoke only)		\$6.963			\$0.000			\$6.963	
15	Rider 8 Unbundling Recovery	\$0.000	\$0.000	\$0.000	\$0.118	\$0.118	\$0.118	\$0.118	\$0.118	\$0.118
16	Rider 9 Stable Rate - Residential	\$0.001	\$0.001	\$0.001	(\$0.001)	(\$0.001)	(\$0.001)	\$0.000	\$0.000	\$0.000
17	Subtotal Commodity Related Charges per gigajoule	<u>\$7.786</u>	<u>\$7.777</u>	<u>\$7.839</u>	<u>\$0.467</u>	<u>\$0.453</u>	<u>\$0.470</u>	<u>\$8.253</u>	<u>\$8.230</u>	<u>\$8.309</u>
18										
19										
20	Total Variable Cost per gigajoule	<u>\$10.559</u>	<u>\$10.550</u>	<u>\$10.612</u>	<u>\$0.467</u>	<u>\$0.453</u>	<u>\$0.470</u>	<u>\$11.026</u>	<u>\$11.003</u>	<u>\$11.082</u>
21										
22										
23	Revelstoke Variable Cost per gigajoule									
24	(Includes Riders 1 & 6, Excludes Rider 9)		<u>\$17.512</u>			<u>\$0.336</u>			<u>\$17.848</u>	



TERASEN GAS INC.  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
 EFFECTIVE JANUARY 1, 2008  
 BCUC ORDER NO. G-\_\_-07

<b>RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$22.96	\$22.96	\$22.96	\$0.00	\$0.00	\$0.00	\$22.96	\$22.96	\$22.96
3										
4	Delivery Charge per gigajoule	\$2.291	\$2.291	\$2.291	\$0.000	\$0.000	\$0.000	\$2.291	\$2.291	\$2.291
5										
6	Rider 3 ESM	(\$0.084)	(\$0.084)	(\$0.084)	\$0.000	\$0.000	\$0.000	(\$0.084)	(\$0.084)	(\$0.084)
7	Rider 5 RSAM	\$0.145	\$0.145	\$0.145	\$0.000	\$0.000	\$0.000	\$0.145	\$0.145	\$0.145
8	Subtotal Delivery Margin Related Charges per gigajoule	<u>\$2.352</u>	<u>\$2.352</u>	<u>\$2.352</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$2.352</u>	<u>\$2.352</u>	<u>\$2.352</u>
9										
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge per gigajoule	\$6.928	\$6.928	\$6.928	\$0.000	\$0.000	\$0.000	\$6.928	\$6.928	\$6.928
13	Midstream Cost Recovery Charge per gigajoule	\$0.865	\$0.856	\$0.918	\$0.438	\$0.423	\$0.441	\$1.303	\$1.279	\$1.359
14	Propane Surcharge (Revelstoke only)		\$5.864			\$0.000			\$5.864	
15	Rider 8 Unbundling Recovery	\$0.053	\$0.053	\$0.053	(\$0.006)	(\$0.006)	(\$0.006)	\$0.047	\$0.047	\$0.047
16	Subtotal Commodity Related Charges per gigajoule	<u>\$7.846</u>	<u>\$7.837</u>	<u>\$7.899</u>	<u>\$0.432</u>	<u>\$0.417</u>	<u>\$0.435</u>	<u>\$8.278</u>	<u>\$8.254</u>	<u>\$8.334</u>
17										
18										
19	Total Variable Cost per gigajoule	<u>\$10.198</u>	<u>\$10.189</u>	<u>\$10.251</u>	<u>\$0.432</u>	<u>\$0.417</u>	<u>\$0.435</u>	<u>\$10.630</u>	<u>\$10.606</u>	<u>\$10.686</u>
20										
21										
22	Revelstoke Variable Cost per gigajoule									
23	(Includes Riders 1 & 6, Excludes Rider 9)		<u>\$16.000</u>			<u>\$0.423</u>			<u>\$16.423</u>	

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<b>RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$122.48	\$122.48	\$122.48	\$0.00	\$0.00	\$0.00	\$122.48	\$122.48	\$122.48
3										
4	Delivery Charge per gigajoule	\$1.974	\$1.974	\$1.974	\$0.000	\$0.000	\$0.000	\$1.974	\$1.974	\$1.974
5										
6	Rider 3 ESM	(\$0.065)	(\$0.065)	(\$0.065)	\$0.000	\$0.000	\$0.000	(\$0.065)	(\$0.065)	(\$0.065)
7	Rider 5 RSAM	\$0.145	\$0.145	\$0.145	\$0.000	\$0.000	\$0.000	\$0.145	\$0.145	\$0.145
8	Subtotal Delivery Margin Related Charges per gigajoule	<u>\$2.054</u>	<u>\$2.054</u>	<u>\$2.054</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$2.054</u>	<u>\$2.054</u>	<u>\$2.054</u>
9										
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge per gigajoule	\$6.916	\$6.916	\$6.916	\$0.000	\$0.000	\$0.000	\$6.916	\$6.916	\$6.916
13	Midstream Cost Recovery Charge per gigajoule	\$0.761	\$0.756	\$0.817	\$0.354	\$0.340	\$0.358	\$1.115	\$1.096	\$1.175
14	Propane Surcharge (Revelstoke only)		\$5.976			\$0.000			\$5.976	
15	Rider 8 Unbundling Recovery	\$0.053	\$0.053	\$0.053	(\$0.006)	(\$0.006)	(\$0.006)	\$0.047	\$0.047	\$0.047
16	Subtotal Commodity Related Charges per gigajoule	<u>\$7.730</u>	<u>\$7.725</u>	<u>\$7.786</u>	<u>\$0.348</u>	<u>\$0.334</u>	<u>\$0.352</u>	<u>\$8.078</u>	<u>\$8.059</u>	<u>\$8.138</u>
17										
18										
19	Total Variable Cost per gigajoule	<u>\$9.784</u>	<u>\$9.779</u>	<u>\$9.840</u>	<u>\$0.348</u>	<u>\$0.334</u>	<u>\$0.352</u>	<u>\$10.132</u>	<u>\$10.113</u>	<u>\$10.192</u>
20										
21										
22	Revelstoke Variable Cost per gigajoule									
23	(Includes Riders 1 & 6, Excludes Rider 9)		<u>\$15.702</u>			<u>\$0.340</u>			<u>\$16.042</u>	

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<b>RATE SCHEDULE 4: SEASONAL SERVICE</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$406.00	\$406.00	\$406.00	\$0.00	\$0.00	\$0.00	\$406.00	\$406.00	\$406.00
3										
4	Delivery Charge per gigajoule									
5	(a) Off-Peak Period	\$0.705	\$0.705	\$0.705	(\$0.705)	(\$0.705)	(\$0.705)	\$0.000	\$0.000	\$0.000
6	(b) Extension Period	\$1.422	\$1.422	\$1.422	(\$1.422)	(\$1.422)	(\$1.422)	\$0.000	\$0.000	\$0.000
7										
8	Rider 3 ESM	(\$0.037)	(\$0.037)	(\$0.037)	\$0.000	\$0.000	\$0.000	(\$0.037)	(\$0.037)	(\$0.037)
9										
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge per gigajoule									
13	(a) Off-Peak Period	\$6.902	\$6.902	\$6.902	\$0.000	\$0.000	\$0.000	\$6.902	\$6.902	\$6.902
14	(b) Extension Period	\$6.902	\$6.902	\$6.902	\$0.000	\$0.000	\$0.000	\$6.902	\$6.902	\$6.902
15										
16	Midstream Cost Recovery Charge per gigajoule									
17	(a) Off-Peak Period	\$0.614	\$0.615	\$0.676	\$0.209	\$0.197	\$0.211	\$0.823	\$0.812	\$0.887
18	(b) Extension Period	\$0.614	\$0.615	\$0.676	\$0.209	\$0.197	\$0.211	\$0.823	\$0.812	\$0.887
19										
20										
21	Subtotal Off -Peak Commodity Related Charges per GJ									
22	(a) Off-Peak Period	\$7.516	\$7.517	\$7.578	\$0.209	\$0.197	\$0.211	\$7.725	\$7.714	\$7.789
23	(b) Extension Period	\$7.516	\$7.517	\$7.578	\$0.209	\$0.197	\$0.211	\$7.725	\$7.714	\$7.789
24										
25										
26										
27	Unauthorized Gas Charge per gigajoule	Balancing, Backstopping and UOR per BCUC			Balancing, Backstopping and UOR per BCUC			Balancing, Backstopping and UOR per BCUC		
28	during peak period	Order No. G-110-00.			Order No. G-110-00.			Order No. G-110-00.		
29										
30										
31	Total Variable Cost per gigajoule between									
32	(a) Off-Peak Period	<u>\$8.184</u>	<u>\$8.185</u>	<u>\$8.246</u>	<u>(\$0.496)</u>	<u>(\$0.508)</u>	<u>(\$0.494)</u>	<u>\$7.688</u>	<u>\$7.677</u>	<u>\$7.752</u>
33	(b) Extension Period	<u>\$8.901</u>	<u>\$8.902</u>	<u>\$8.963</u>	<u>(\$1.213)</u>	<u>(\$1.225)</u>	<u>(\$1.211)</u>	<u>\$7.688</u>	<u>\$7.677</u>	<u>\$7.752</u>

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 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
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<b>RATE SCHEDULE 5 GENERAL FIRM SERVICE</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$542.00	\$542.00	\$542.00	\$0.00	\$0.00	\$0.00	\$542.00	\$542.00	\$542.00
3										
4	Demand Charge per gigajoule	\$13.543	\$13.543	\$13.543	\$0.000	\$0.000	\$0.000	\$13.543	\$13.543	\$13.543
5										
6	Delivery Charge per gigajoule	\$0.548	\$0.548	\$0.548	\$0.000	\$0.000	\$0.000	\$0.548	\$0.548	\$0.548
7										
8	Rider 3 ESM	(\$0.047)	(\$0.047)	(\$0.047)	\$0.000	\$0.000	\$0.000	(\$0.047)	(\$0.047)	(\$0.047)
9										
10										
11										
12	<u>Commodity Related Charges</u>									
13	Commodity Cost Recovery Charge per gigajoule	\$6.902	\$6.902	\$6.902	\$0.000	\$0.000	\$0.000	\$6.902	\$6.902	\$6.902
14	Midstream Cost Recovery Charge per gigajoule	\$0.614	\$0.615	\$0.676	\$0.209	\$0.197	\$0.211	\$0.823	\$0.812	\$0.887
15	Subtotal Commodity Related Charges per gigajoule	\$7.516	\$7.517	\$7.578	\$0.209	\$0.197	\$0.211	\$7.725	\$7.714	\$7.789
16										
17										
18										
19	Total Variable Cost per gigajoule	<u>\$8.017</u>	<u>\$8.018</u>	<u>\$8.079</u>	<u>\$0.209</u>	<u>\$0.197</u>	<u>\$0.211</u>	<u>\$8.226</u>	<u>\$8.215</u>	<u>\$8.290</u>

TERASEN GAS INC.  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
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<b>RATE SCHEDULE 6: NGV - STATIONS</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$57.00	\$57.00	\$57.00	\$0.00	\$0.00	\$0.00	\$57.00	\$57.00	\$57.00
3										
4	Delivery Charge per gigajoule	\$3.140	\$3.140	\$3.140	\$0.000	\$0.000	\$0.000	\$3.140	\$3.140	\$3.140
5										
6	Rider 3 ESM	(\$0.090)	(\$0.090)	(\$0.090)	\$0.000	\$0.000	\$0.000	(\$0.090)	(\$0.090)	(\$0.090)
7										
8										
9										
10	<u>Commodity Related Charges</u>									
11	Commodity Cost Recovery Charge per gigajoule	\$6.883	\$6.883	\$6.883	\$0.000	\$0.000	\$0.000	\$6.883	\$6.883	\$6.883
12	Midstream Cost Recovery Charge per gigajoule	\$0.420	\$0.424	\$0.424	\$0.032	\$0.007	\$0.007	\$0.452	\$0.431	\$0.431
13	Subtotal Commodity Related Charges per gigajoule	\$7.303	\$7.307	\$7.307	\$0.032	\$0.007	\$0.007	\$7.335	\$7.314	\$7.314
14										
15										
16										
17										
18	Total Variable Cost per gigajoule	<u>\$10.353</u>	<u>\$10.357</u>	<u>\$10.357</u>	<u>\$0.032</u>	<u>\$0.007</u>	<u>\$0.007</u>	<u>\$10.385</u>	<u>\$10.364</u>	<u>\$10.364</u>

TERASEN GAS INC.  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
 EFFECTIVE JANUARY 1, 2008  
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<b>RATE SCHEDULE 6A: NGV - VRA's</b>				
Line No.	Particulars	EXISTING OCTOBER 1, 2007 RATES	COMMODITY RELATED CHARGES CHANGES	PROPOSED JANUARY 1, 2008 RATES
	(1)	(2)	(3)	(4)
1	<b>LOWER MAINLAND SERVICE AREA</b>			
2				
3	<u>Delivery Margin Related Charges</u>			
4	Basic Charge per Month	\$80.00	\$0.00	\$80.00
5				
6	Minimum Charges	\$125.00	(\$114.81)	\$10.19
7				
8	Delivery Charge per gigajoule	\$3.103	\$0.000	\$3.103
9				
10	Rider 3 ESM	(\$0.090)	\$0.090	\$0.000
11				
12				
13				
14	<u>Commodity Related Charges</u>			
15	Commodity Cost Recovery Charge per gigajoule	\$6.883	\$0.000	\$6.883
16	Midstream Cost Recovery Charge per gigajoule	\$0.420	\$0.032	\$0.452
17	Subtotal Commodity Related Charges per gigajoule	\$7.303	\$0.032	\$7.335
18				
19	Compression Charge per gigajoule	\$5.28	\$0.000	\$5.28
20				
21				
22				
23				
24	Total Variable Cost per gigajoule	<u>\$15.596</u>	<u>\$0.122</u>	<u>\$15.718</u>

TERASEN GAS INC.  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
 EFFECTIVE JANUARY 1, 2008  
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<b>RATE SCHEDULE 7: INTERRUPTIBLE SALES</b>		<b>EXISTING OCTOBER 1, 2007 RATES</b>			<b>COMMODITY RELATED CHARGES CHANGES</b>			<b>PROPOSED JANUARY 1, 2008 RATES</b>		
Line No.	Particulars	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>	<b>Lower Mainland</b>	<b>Inland</b>	<b>Columbia</b>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per Month	\$813.00	\$813.00	\$813.00	\$0.00	\$0.00	\$0.00	\$813.00	\$813.00	\$813.00
3										
4	Delivery Charge per gigajoule	\$0.915	\$0.915	\$0.915	\$0.000	\$0.000	\$0.000	\$0.915	\$0.915	\$0.915
5										
6	Rider 3 ESM	(\$0.029)	(\$0.029)	(\$0.029)	\$0.000	\$0.000	\$0.000	(\$0.029)	(\$0.029)	(\$0.029)
7										
8										
9	<u>Commodity Related Charges</u>									
10	Commodity Cost Recovery Charge per gigajoule	\$6.902	\$6.902	\$6.902	\$0.000	\$0.000	\$0.000	\$6.902	\$6.902	\$6.902
11	Midstream Cost Recovery Charge per gigajoule	\$0.614	\$0.615	\$0.676	\$0.209	\$0.197	\$0.211	\$0.823	\$0.812	\$0.887
12	Subtotal Commodity Related Charges per gigajoule	\$7.516	\$7.517	\$7.578	\$0.209	\$0.197	\$0.211	\$7.725	\$7.714	\$7.789
13										
14										
15										
16	Charges per gigajoule for UOR Gas	Balancing, Backstopping and UOR per BCUC Order No. G-110-00.			Balancing, Backstopping and UOR per BCUC Order No. G-110-00.			Balancing, Backstopping and UOR per BCUC Order No. G-110-00.		
17										
18										
19										
20										
21										
22	Total Variable Cost per gigajoule	\$8.402	\$8.403	\$8.464	\$0.209	\$0.197	\$0.211	\$8.611	\$8.600	\$8.675

TERASEN GAS INC.  
EFFECT ON CUSTOMER'S RATES OF JANUARY 1, 2008 RATE CHANGES CONSISTING OF  
AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDER NO. G-\_\_\_07

**RATE SCHEDULE 1 - RESIDENTIAL SERVICE**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			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	Basic Charge	12 months x	\$10.94	\$131.28	12 months x	\$10.94	\$131.28	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	110.0 GJ x	\$2.736	300.96	110.0 GJ x	\$2.736	300.96	\$0.000	0.00	0.00%
6	Rider 3 ESM	110.0 GJ x	(\$0.108)	(11.88)	110.0 GJ x	(\$0.108)	(11.88)	\$0.000	0.00	0.00%
7	Rider 5 RSAM	110.0 GJ x	\$0.145	15.95	110.0 GJ x	\$0.145	15.95	\$0.000	0.00	0.00%
8	Subtotal Delivery Margin Related Charges			<u>\$436.31</u>			<u>\$436.31</u>		<u>\$0.00</u>	0.00%
9										
10	<u>Recovery Charges</u>									
11	Commodity Cost Recovery Charge	110.0 GJ x	\$6.926	\$761.86	110.0 GJ x	\$6.926	\$761.86	\$0.000	\$0.00	0.00%
12	Midstream Cost Recovery Charge	110.0 GJ x	\$0.859	94.49	110.0 GJ x	\$1.209	132.99	\$0.350	38.50	2.98%
13	Rider 8 Unbundling Recovery	110.0 GJ x	\$0.000	0.00	110.0 GJ x	\$0.118	12.98	\$0.118	12.98	1.00%
14	Rider 9 Stable Rate Recovery	110.0 GJ x	\$0.001	0.11	110.0 GJ x	\$0.000	0.00	(\$0.001)	(0.11)	-0.01%
15	Subtotal Commodity Related Charges			<u>\$856.46</u>			<u>\$907.83</u>		<u>\$51.37</u>	3.97%
16										
17	Total	110.0	\$11.752	<u>\$1,292.77</u>	110.0	\$12.219	<u>\$1,344.14</u>	\$0.467	<u>\$51.37</u>	3.97%
18										
19	<b>INLAND SERVICE AREA</b>									
20	<u>Delivery Margin Related Charges</u>									
21	Basic Charge	12 months x	\$10.94	\$131.28	12 months x	\$10.94	\$131.28	\$0.000	\$0.00	0.00%
22										
23	Delivery Charge	95.0 GJ x	\$2.736	259.92	95.0 GJ x	\$2.736	259.92	\$0.000	0.00	0.00%
24	Rider 3 ESM	95.0 GJ x	(\$0.108)	(10.26)	95.0 GJ x	(\$0.108)	(10.26)	\$0.000	0.00	0.00%
25	Rider 5 RSAM	95.0 GJ x	\$0.145	13.78	95.0 GJ x	\$0.145	13.78	\$0.000	0.00	0.00%
26	Subtotal Delivery Margin Related Charges			<u>\$394.72</u>			<u>\$394.72</u>		<u>\$0.00</u>	0.00%
27										
28	<u>Recovery Charges</u>									
29	Commodity Cost Recovery Charge	95.0 GJ x	\$6.926	\$657.97	95.0 GJ x	\$6.926	\$657.97	\$0.000	\$0.00	0.00%
30	Midstream Cost Recovery Charge	95.0 GJ x	\$0.850	80.75	95.0 GJ x	\$1.186	112.67	\$0.336	31.92	2.82%
31	Rider 8 Unbundling Recovery	95.0 GJ x	\$0.000	0.00	95.0 GJ x	\$0.118	11.21	\$0.118	11.21	0.99%
32	Rider 9 Stable Rate Recovery	95.0 GJ x	\$0.001	0.10	95.0 GJ x	\$0.000	0.00	(\$0.001)	(0.10)	-0.01%
33	Subtotal Commodity Related Charges			<u>\$738.82</u>			<u>\$781.85</u>		<u>\$43.04</u>	3.80%
34										
35	Total	95.0	\$11.932	<u>\$1,133.54</u>	95.0	\$12.385	<u>\$1,176.57</u>	\$0.453	<u>\$43.04</u>	3.80%
36										
37	<b>COLUMBIA SERVICE AREA</b>									
38	<u>Delivery Margin Related Charges</u>									
39	Basic Charge	12 months x	\$10.94	\$131.28	12 months x	\$10.94	\$131.28	\$0.000	\$0.00	0.00%
40										
41	Delivery Charge	110.0 GJ x	\$2.736	300.96	110.0 GJ x	\$2.736	300.96	\$0.000	0.00	0.00%
42	Rider 3 ESM	110.0 GJ x	(\$0.108)	(11.88)	110.0 GJ x	(\$0.108)	(11.88)	\$0.000	0.00	0.00%
43	Rider 5 RSAM	110.0 GJ x	\$0.145	15.95	110.0 GJ x	\$0.145	15.95	\$0.000	0.00	0.00%
44	Subtotal Delivery Margin Related Charges			<u>\$436.31</u>			<u>\$436.31</u>		<u>\$0.00</u>	0.00%
45										
46	<u>Recovery Charges</u>									
47	Commodity Cost Recovery Charge	110.0 GJ x	\$6.926	\$761.86	110.0 GJ x	\$6.926	\$761.86	\$0.000	\$0.00	0.00%
48	Midstream Cost Recovery Charge	110.0 GJ x	\$0.912	100.32	110.0 GJ x	\$1.265	139.15	\$0.353	38.83	2.99%
49	Rider 8 Unbundling Recovery	110.0 GJ x	\$0.000	0.00	110.0 GJ x	\$0.118	12.98	\$0.118	12.98	1.00%
50	Rider 9 Stable Rate Recovery	110.0 GJ x	\$0.001	0.11	110.0 GJ x	\$0.000	0.00	(\$0.001)	(0.11)	-0.01%
51	Subtotal Commodity Related Charges			<u>\$862.29</u>			<u>\$913.99</u>		<u>\$51.70</u>	3.98%
52										
53	Total	110.0	\$11.805	<u>\$1,298.60</u>	110.0	\$12.275	<u>\$1,350.30</u>	\$0.470	<u>\$51.70</u>	3.98%



TERASEN GAS INC.  
EFFECT ON CUSTOMER'S RATES OF JANUARY 1, 2008 RATE CHANGES CONSISTING OF  
AND COMMODITY RELATED CHARGES CHANGES  
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**RATE SCHEDULE 2 -SMALL COMMERCIAL SERVICE**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			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	Basic Charge	12 months	x \$22.96	= \$275.52	12 months	x \$22.96	= \$275.52	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	300.0	GJ x \$2.291	= 687.30	300.0	GJ x \$2.291	= 687.30	\$0.000	0.00	0.00%
6	Rider 3 ESM	300.0	GJ x (\$0.084)	= (25.20)	300.0	GJ x (\$0.084)	= (25.20)	\$0.000	0.00	0.00%
7	Rider 5 RSAM	300.0	GJ x \$0.145	= 43.50	300.0	GJ x \$0.145	= 43.50	\$0.000	0.00	0.00%
8	Subtotal Delivery Margin Related Charges			<u>\$981.12</u>			<u>\$981.12</u>		<u>\$0.00</u>	0.00%
9										
10	<u>Recovery Charges</u>									
11	Commodity Cost Recovery Charge	300.0	GJ x \$6.928	= \$2,078.40	300.0	GJ x \$6.928	= \$2,078.40	\$0.000	\$0.00	0.00%
12	Midstream Cost Recovery Charge	300.0	GJ x \$0.865	= 259.50	300.0	GJ x \$1.303	= 390.90	\$0.438	131.40	3.94%
13	Rider 8 Unbundling Recovery	300.0	GJ x \$0.053	= 15.90	300.0	GJ x \$0.047	= 14.10	(\$0.006)	(1.80)	-0.05%
14	Subtotal Commodity Related Charges			<u>\$2,353.80</u>			<u>\$2,483.40</u>		<u>\$129.60</u>	3.89%
15										
16	Total	<u>300.0</u>	\$11.116	<u>\$3,334.92</u>	<u>300.0</u>	\$11.548	<u>\$3,464.52</u>	\$0.432	<u>\$129.60</u>	3.89%
17										
18	<b>INLAND SERVICE AREA</b>									
19	<u>Delivery Margin Related Charges</u>									
20	Basic Charge	12 months	x \$22.96	= \$275.52	12 months	x \$22.96	= \$275.52	\$0.00	\$0.00	0.00%
21										
22	Delivery Charge	280.0	GJ x \$2.291	= 641.48	280.0	GJ x \$2.291	= 641.48	\$0.000	0.00	0.00%
23	Rider 3 ESM	280.0	GJ x (\$0.084)	= (23.52)	280.0	GJ x (\$0.084)	= (23.52)	\$0.000	0.00	0.00%
24	Rider 5 RSAM	280.0	GJ x \$0.145	= 40.60	280.0	GJ x \$0.145	= 40.60	\$0.000	0.00	0.00%
25	Subtotal Delivery Margin Related Charges			<u>\$934.08</u>			<u>\$934.08</u>		<u>\$0.00</u>	0.00%
26										
27	<u>Recovery Charges</u>									
28	Commodity Cost Recovery Charge	280.0	GJ x \$6.928	= \$1,939.84	280.0	GJ x \$6.928	= \$1,939.84	\$0.000	\$0.00	0.00%
29	Midstream Cost Recovery Charge	280.0	GJ x \$0.856	= 239.68	280.0	GJ x \$1.279	= 358.12	\$0.423	118.44	3.79%
30	Rider 8 Unbundling Recovery	280.0	GJ x \$0.053	= 14.84	280.0	GJ x \$0.047	= 13.16	(\$0.006)	(1.68)	-0.05%
31	Subtotal Commodity Related Charges			<u>\$2,194.36</u>			<u>\$2,311.12</u>		<u>\$116.76</u>	3.73%
32										
33	Total	<u>280.0</u>	\$11.173	<u>\$3,128.44</u>	<u>280.0</u>	\$11.590	<u>\$3,245.20</u>	\$0.417	<u>\$116.76</u>	3.73%
34										
35	<b>COLUMBIA SERVICE AREA</b>									
36	<u>Delivery Margin Related Charges</u>									
37	Basic Charge	12 months	x \$22.96	= \$275.52	12 months	x \$22.96	= \$275.52	\$0.00	\$0.00	0.00%
38										
39	Delivery Charge	360.0	GJ x \$2.291	= 824.76	360.0	GJ x \$2.291	= 824.76	\$0.000	0.00	0.00%
40	Rider 3 ESM	360.0	GJ x (\$0.084)	= (30.24)	360.0	GJ x (\$0.084)	= (30.24)	\$0.000	0.00	0.00%
41	Rider 5 RSAM	360.0	GJ x \$0.145	= 52.20	360.0	GJ x \$0.145	= 52.20	\$0.000	0.00	0.00%
42	Subtotal Delivery Margin Related Charges			<u>\$1,122.24</u>			<u>\$1,122.24</u>		<u>\$0.00</u>	0.00%
43										
44	<u>Recovery Charges</u>									
45	Commodity Cost Recovery Charge	360.0	GJ x \$6.928	= \$2,494.08	360.0	GJ x \$6.928	= \$2,494.08	\$0.000	\$0.00	0.00%
46	Midstream Cost Recovery Charge	360.0	GJ x \$0.918	= 330.48	360.0	GJ x \$1.359	= 489.24	\$0.441	158.76	4.00%
47	Rider 8 Unbundling Recovery	360.0	GJ x \$0.053	= 19.08	360.0	GJ x \$0.047	= 16.92	(\$0.006)	(2.16)	-0.05%
48	Subtotal Commodity Related Charges			<u>\$2,843.64</u>			<u>\$3,000.24</u>		<u>\$156.60</u>	3.95%
49										
50	Total	<u>360.0</u>	\$11.016	<u>\$3,965.88</u>	<u>360.0</u>	\$11.451	<u>\$4,122.48</u>	\$0.435	<u>\$156.60</u>	3.95%

TERASEN GAS INC.  
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**RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			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	Basic Charge	12 months	x \$122.48	= \$1,469.76	12 months	x \$122.48	= \$1,469.76	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	3,300.0	GJ x \$1.974	= 6,514.20	3,300.0	GJ x \$1.974	= 6,514.20	\$0.000	0.00	0.00%
6	Rider 3 ESM	3,300.0	GJ x (\$0.065)	= (214.50)	3,300.0	GJ x (\$0.065)	= (214.50)	\$0.000	0.00	0.00%
7	Rider 5 RSAM	3,300.0	GJ x \$0.145	= 478.50	3,300.0	GJ x \$0.145	= 478.50	\$0.000	0.00	0.00%
8	Subtotal Delivery Margin Related Charges			<u>\$8,247.96</u>			<u>\$8,247.96</u>		<u>\$0.00</u>	
9										
10	<u>Commodity Related Charges</u>									
11	Commodity Cost Recovery Charge	3,300.0	GJ x \$6.916	= \$22,822.80	3,300.0	GJ x \$6.916	= \$22,822.80	\$0.000	\$0.00	0.00%
12	Midstream Cost Recovery Charge	3,300.0	GJ x \$0.761	= 2,511.30	3,300.0	GJ x \$1.115	= 3,679.50	\$0.354	1,168.20	3.46%
13	Rider 8 Unbundling Recovery	3,300.0	GJ x \$0.053	= 174.90	3,300.0	GJ x \$0.047	= 155.10	(\$0.006)	(19.80)	-0.06%
14	Subtotal Commodity Related Charges			<u>\$25,509.00</u>			<u>\$26,657.40</u>		<u>\$1,148.40</u>	3.40%
15										
16	Total	<u>3,300.0</u>	<u>\$10.229</u>	<u>\$33,756.96</u>	<u>3,300.0</u>	<u>\$10.577</u>	<u>\$34,905.36</u>	<u>\$0.348</u>	<u>\$1,148.40</u>	3.40%
17										
18	<b>INLAND SERVICE AREA</b>									
19	<u>Delivery Margin Related Charges</u>									
20	Basic Charge	12 months	x \$122.48	= \$1,469.76	12 months	x \$122.48	= \$1,469.76	\$0.00	\$0.00	0.00%
21										
22	Delivery Charge	3,500.0	GJ x \$1.974	= 6,909.00	3,500.0	GJ x \$1.974	= 6,909.00	\$0.000	0.00	0.00%
23	Rider 3 ESM	3,500.0	GJ x (\$0.065)	= (227.50)	3,500.0	GJ x (\$0.065)	= (227.50)	\$0.000	0.00	0.00%
24	Rider 5 RSAM	3,500.0	GJ x \$0.145	= 507.50	3,500.0	GJ x \$0.145	= 507.50	\$0.000	0.00	0.00%
25	Subtotal Delivery Margin Related Charges			<u>\$8,658.76</u>			<u>\$8,658.76</u>		<u>\$0.00</u>	0.00%
26										
27	<u>Commodity Related Charges</u>									
28	Commodity Cost Recovery Charge	3,500.0	GJ x \$6.916	= \$24,206.00	3,500.0	GJ x \$6.916	= \$24,206.00	\$0.000	\$0.00	0.00%
29	Midstream Cost Recovery Charge	3,500.0	GJ x \$0.756	= 2,646.00	3,500.0	GJ x \$1.096	= 3,836.00	\$0.340	1,190.00	3.33%
30	Rider 8 Unbundling Recovery	3,500.0	GJ x \$0.053	= 185.50	3,500.0	GJ x \$0.047	= 164.50	(\$0.006)	(21.00)	-0.06%
31	Subtotal Commodity Related Charges			<u>\$27,037.50</u>			<u>\$28,206.50</u>		<u>\$1,169.00</u>	3.27%
32										
33	Total	<u>3,500.0</u>	<u>\$10.199</u>	<u>\$35,696.26</u>	<u>3,500.0</u>	<u>\$10.533</u>	<u>\$36,865.26</u>	<u>\$0.334</u>	<u>\$1,169.00</u>	3.27%
34										
35	<b>COLUMBIA SERVICE AREA</b>									
36	<u>Delivery Margin Related Charges</u>									
37	Basic Charge	12 months	x \$122.48	= \$1,469.76	12 months	x \$122.48	= \$1,469.76	\$0.00	\$0.00	0.00%
38										
39	Delivery Charge	3,800.0	GJ x \$1.974	= 7,501.20	3,800.0	GJ x \$1.974	= 7,501.20	\$0.000	0.00	0.00%
40	Rider 3 ESM	3,800.0	GJ x (\$0.065)	= (247.00)	3,800.0	GJ x (\$0.065)	= (247.00)	\$0.000	0.00	0.00%
41	Rider 5 RSAM	3,800.0	GJ x \$0.145	= 551.00	3,800.0	GJ x \$0.145	= 551.00	\$0.000	0.00	0.00%
42	Subtotal Delivery Margin Related Charges			<u>\$9,274.96</u>			<u>\$9,274.96</u>		<u>\$0.00</u>	0.00%
43										
44	<u>Commodity Related Charges</u>									
45	Commodity Cost Recovery Charge	3,800.0	GJ x \$6.916	= \$26,280.80	3,800.0	GJ x \$6.916	= \$26,280.80	\$0.000	\$0.00	0.00%
46	Midstream Cost Recovery Charge	3,800.0	GJ x \$0.817	= 3,104.60	3,800.0	GJ x \$1.175	= 4,465.00	\$0.358	1,360.40	3.50%
47	Rider 8 Unbundling Recovery	3,800.0	GJ x \$0.053	= 201.40	3,800.0	GJ x \$0.047	= 178.60	(\$0.006)	(22.80)	-0.06%
48	Subtotal Commodity Related Charges			<u>\$29,586.80</u>			<u>\$30,924.40</u>		<u>\$1,337.60</u>	3.44%
49										
50	Total	<u>3,800.0</u>	<u>\$10.227</u>	<u>\$38,861.76</u>	<u>3,800.0</u>	<u>\$10.579</u>	<u>\$40,199.36</u>	<u>\$0.352</u>	<u>\$1,337.60</u>	3.44%

TERASEN GAS INC.  
EFFECT ON CUSTOMER'S RATES OF JANUARY 1, 2008 RATE CHANGES CONSISTING OF  
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**RATE SCHEDULE 4 - SEASONAL SERVICE**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			Annual Increase/Decrease	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Annual Bill
1									
2	<b>LOWER MAINLAND SERVICE AREA</b>								
3	<u>Delivery Margin Related Charges</u>								
4	Basic Charge	7 months x	\$406.00 =	\$2,842.00	7 months x	\$406.00 =	\$2,842.00	\$0.00	0.00%
5									
6	Delivery Charge								
7	(a) Off-Peak Period	6,100.0	GJ x \$0.705 =	4,300.50	6,100.0	GJ x \$0.000 =	0.00	(4,300.50)	-8.15%
8	(b) Extension Period	0.0	GJ x \$1.422 =	0.00	0.0	GJ x \$0.000 =	0.00	0.00	0.00%
9									
10	Rider 3 ESM	6,100.0	GJ x (\$0.037) =	(225.70)	6,100.0	GJ x (\$0.037) =	(225.70)	0.00	0.00%
11									
12	<u>Commodity Related Charges</u>								
13	Commodity Cost Recovery Charge								
14	(a) Off-Peak Period	6,100.0	GJ x \$6.902 =	42,102.20	6,100.0	GJ x \$6.902 =	42,102.20	0.00	0.00%
15	(b) Extension Period	0.0	GJ x \$6.902 =	0.00	0.0	GJ x \$6.902 =	0.00	0.00	0.00%
16	Midstream Cost Recovery Charge								
17	(a) Off-Peak Period	6,100.0	GJ x \$0.614 =	3,745.40	6,100.0	GJ x \$0.823 =	5,020.30	1,274.90	2.42%
18	(b) Extension Period	0.0	GJ x \$0.614 =	0.00	0.0	GJ x \$0.823 =	0.00	0.00	0.00%
19									
20									
21	Subtotal Off -Peak Commodity Related Charges								
22	(a) Off-Peak Period	6,100.0	GJ x \$7.516 =	45,847.60	6,100.0	\$7.725 =	47,122.50	1,274.90	2.42%
23	(b) Extension Period	0.0	GJ x \$7.516 =	0.00	0.0	\$7.725 =	0.00	0.00	0.00%
24									
25	Unauthorized Gas Charge During Peak Period (not forecast)								
26									
27	Total during Off-Peak Period	<u>6,100.0</u>		<u>\$52,764.40</u>	<u>6,100.0</u>		<u>\$49,738.80</u>	<u>(\$3,025.60)</u>	-5.73%
28									
29	<b>INLAND SERVICE AREA</b>								
30	<u>Delivery Margin Related Charges</u>								
31	Basic Charge	7 months x	\$406.00 =	\$2,842.00	7 months x	\$406.00 =	\$2,842.00	\$0.00	0.00%
32									
33	Delivery Charge								
34	(a) Off-Peak Period	13,300.0	GJ x \$0.705 =	9,376.50	13,300.0	GJ x \$0.000 =	0.00	(9,376.50)	-8.39%
35	(b) Extension Period	0.0	GJ x \$1.422 =	0.00	0.0	GJ x \$0.000 =	0.00	0.00	0.00%
36									
37	Rider 3 ESM	13,300.0	GJ x (\$0.037) =	(492.10)	13,300.0	GJ x (\$0.037) =	(492.10)	0.00	0.00%
38									
39	<u>Commodity Related Charges</u>								
40	Commodity Cost Recovery Charge								
41	(a) Off-Peak Period	13,300.0	GJ x \$6.902 =	91,796.60	13,300.0	GJ x \$6.902 =	91,796.60	0.00	0.00%
42	(b) Extension Period	0.0	GJ x \$6.902 =	0.00	0.0	GJ x \$6.902 =	0.00	0.00	0.00%
43	Midstream Cost Recovery Charge								
44	(a) Off-Peak Period	13,300.0	GJ x \$0.615 =	8,179.50	13,300.0	GJ x \$0.812 =	10,799.60	2,620.10	2.35%
45	(b) Extension Period	0.0	GJ x \$0.615 =	0.00	0.0	GJ x \$0.812 =	0.00	0.00	0.00%
46									
47									
48	Subtotal Off -Peak Commodity Related Charges								
49	(a) Off-Peak Period	13,300.0	GJ x \$7.517 =	99,976.10	13,300.0	\$7.714 =	102,596.20	2,620.10	2.35%
50	(b) Extension Period	0.0	GJ x \$7.517 =	0.00	0.0	\$7.714 =	0.00	0.00	0.00%
51									
52	Unauthorized Gas Charge During Peak Period (not forecast)								
53									
54	Total during Off-Peak Period	<u>13,300.0</u>		<u>\$111,702.50</u>	<u>13,300.0</u>		<u>\$104,946.10</u>	<u>(\$6,756.40)</u>	-6.05%

TERASEN GAS INC.  
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**RATE SCHEDULE 5 - GENERAL FIRM SERVICE**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1										
2	<b>LOWER MAINLAND SERVICE AREA</b>									
3	<u>Delivery Margin Related Charges</u>									
4	Basic Charge	12 months	x \$542.00	= \$6,504.00	12 months	x \$542.00	= \$6,504.00	\$0.00	\$0.00	0.00%
5										
6	Demand Charge	73.2	GJ x \$13.543	= 11,896.17	73.2	GJ x \$13.543	= 11,896.17	\$0.000	0.00	0.00%
7										
8	Delivery Charge	11,600.0	GJ x \$0.548	= 6,356.80	11,600.0	GJ x \$0.548	= 6,356.80	\$0.000	0.00	0.00%
9										
10	Rider 3 ESM	11,600.0	GJ x (\$0.047)	= (545.20)	11,600.0	GJ x (\$0.047)	= (545.20)	\$0.000	0.00	0.00%
11										
12	<u>Commodity Related Charges</u>									
13	Commodity Cost Recovery Charge	11,600.0	GJ x \$6.902	= 80,063.20	11,600.0	GJ x \$6.902	= 80,063.20	\$0.000	0.00	0.00%
14	Midstream Cost Recovery Charge	11,600.0	GJ x \$0.614	= 7,122.40	11,600.0	GJ x \$0.823	= 9,546.80	\$0.209	2,424.40	2.18%
15										
16										
17	Total	<u>11,600.0</u>	<u>\$9.603</u>	<u>\$111,397.37</u>	<u>11,600.0</u>	<u>\$9.812</u>	<u>\$113,821.77</u>	<u>\$0.209</u>	<u>\$2,424.40</u>	<u>2.18%</u>
18										
19	<b>INLAND SERVICE AREA</b>									
20	<u>Delivery Margin Related Charges</u>									
21	Basic Charge	12 months	x \$542.00	= \$6,504.00	12 months	x \$542.00	= \$6,504.00	\$0.00	\$0.00	0.00%
22										
23	Demand Charge	106.8	GJ x \$13.543	= 17,356.71	106.8	GJ x \$13.543	= 17,356.71	\$0.000	0.00	0.00%
24										
25	Delivery Charge	15,900.0	GJ x \$0.548	= 8,713.20	15,900.0	GJ x \$0.548	= 8,713.20	\$0.000	0.00	0.00%
26										
27	Rider 3 ESM	15,900.0	GJ x (\$0.047)	= (747.30)	15,900.0	GJ x (\$0.047)	= (747.30)	\$0.000	0.00	0.00%
28										
29	Commodity Related Charges									
30	Commodity Cost Recovery Charge	15,900.0	GJ x \$6.902	= 109,741.80	15,900.0	GJ x \$6.902	= 109,741.80	\$0.000	0.00	0.00%
31	Midstream Cost Recovery Charge	15,900.0	GJ x \$0.615	= 9,778.50	15,900.0	GJ x \$0.812	= 12,910.80	\$0.197	3,132.30	2.07%
32										
33										
34	Total	<u>15,900.0</u>	<u>\$9.519</u>	<u>\$151,346.91</u>	<u>15,900.0</u>	<u>\$9.716</u>	<u>\$154,479.21</u>	<u>\$0.197</u>	<u>\$3,132.30</u>	<u>2.07%</u>
35										
36	<b>COLUMBIA SERVICE AREA</b>									
37	<u>Delivery Margin Related Charges</u>									
38	Basic Charge	12 months	x \$542.00	= \$6,504.00	12 months	x \$542.00	= \$6,504.00	\$0.00	\$0.00	0.00%
39										
40	Demand Charge	63.0	GJ x \$13.543	= 10,238.51	63.0	GJ x \$13.543	= 10,238.51	\$0.000	0.00	0.00%
41										
42	Delivery Charge	14,000.0	GJ x \$0.548	= 7,672.00	14,000.0	GJ x \$0.548	= 7,672.00	\$0.000	0.00	0.00%
43										
44	Rider 3 ESM	14,000.0	GJ x (\$0.047)	= (658.00)	14,000.0	GJ x (\$0.047)	= (658.00)	\$0.000	0.00	0.00%
45										
46	<u>Commodity Related Charges</u>									
47	Commodity Cost Recovery Charge	14,000.0	GJ x \$6.902	= 96,628.00	14,000.0	GJ x \$6.902	= 96,628.00	\$0.000	0.00	0.00%
48	Midstream Cost Recovery Charge	14,000.0	GJ x \$0.676	= 9,464.00	14,000.0	GJ x \$0.887	= 12,418.00	\$0.211	2,954.00	2.27%
49										
50										
51	Total	<u>14,000.0</u>	<u>\$9.275</u>	<u>\$129,848.51</u>	<u>14,000.0</u>	<u>\$9.486</u>	<u>\$132,802.51</u>	<u>\$0.211</u>	<u>\$2,954.00</u>	<u>2.27%</u>

TERASEN GAS INC.  
EFFECT ON CUSTOMER'S RATES OF JANUARY 1, 2008 RATE CHANGES CONSISTING OF  
AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDER NO. G-\_\_\_-07

**RATE SCHEDULE 6 - NGV - STATIONS**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			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	Basic Charge	12 months	x \$57.00	= \$684.00	12 months	x \$57.00	= \$684.00	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	6,300.0	GJ x \$3.140	= 19,782.00	6,300.0	GJ x \$3.140	= 19,782.00	\$0.000	0.00	0.00%
6										
7	Rider 3 ESM	6,300.0	GJ x (\$0.090)	= (567.00)	6,300.0	GJ x (\$0.090)	= (567.00)	\$0.000	0.00	0.00%
8										
9	<u>Commodity Related Charges</u>									
10	Commodity Cost Recovery Charge	6,300.0	GJ x \$6.883	= 43,362.90	6,300.0	GJ x \$6.883	= 43,362.90	\$0.000	0.00	0.00%
11	Midstream Cost Recovery Charge	6,300.0	GJ x \$0.420	= 2,646.00	6,300.0	GJ x \$0.452	= 2,847.60	\$0.032	201.60	0.31%
12										
13										
14	Total	<u>6,300.0</u>	\$10.462	<u>\$65,907.90</u>	<u>6,300.0</u>	\$10.494	<u>\$66,109.50</u>	\$0.032	<u>\$201.60</u>	0.31%
15										
16										
17	<b>INLAND SERVICE AREA</b>									
18	<u>Delivery Margin Related Charges</u>									
19	Basic Charge	12 months	x \$57.00	= \$684.00	12 months	x \$57.00	= \$684.00	\$0.00	\$0.00	0.00%
20										
21	Delivery Charge	2,500.0	GJ x \$3.140	= 7,850.00	2,500.0	GJ x \$3.140	= 7,850.00	\$0.000	0.00	0.00%
22										
23	Rider 3 ESM	2,500.0	GJ x (\$0.090)	= (225.00)	2,500.0	GJ x (\$0.090)	= (225.00)	\$0.000	0.00	0.00%
24										
25	<u>Commodity Related Charges</u>									
26	Commodity Cost Recovery Charge	2,500.0	GJ x \$6.883	= 17,207.50	2,500.0	GJ x \$6.883	= 17,207.50	\$0.000	0.00	0.00%
27	Midstream Cost Recovery Charge	2,500.0	GJ x \$0.424	= 1,060.00	2,500.0	GJ x \$0.431	= 1,077.50	\$0.007	17.50	0.07%
28										
29										
30	Total	<u>2,500.0</u>	\$10.631	<u>\$26,576.50</u>	<u>2,500.0</u>	\$10.638	<u>\$26,594.00</u>	\$0.007	<u>\$17.50</u>	0.07%

TERASEN GAS INC.  
EFFECT ON CUSTOMER'S RATES OF JANUARY 1, 2008 RATE CHANGES CONSISTING OF  
AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDER NO. G-\_\_-07

TAB 7  
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**RATE SCHEDULE 7 - INTERRUPTIBLE SALES**

Line No.	Particular	EXISTING OCTOBER 1, 2007 RATES			JANUARY 1, 2008 CHANGES			Annual Increase/Decrease	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Annual Bill
1									
2	<b>LOWER MAINLAND SERVICE AREA</b>								
3	<u>Delivery Margin Related Charges</u>								
4	Basic Charge	122 months	x \$813.00	= \$9,756.00	122 months	x \$813.00	= \$9,756.00	\$0.00	0.00%
5									
6	Delivery Charge	25,000.0	GJ x \$0.915	= 22,875.00	25,000.0	GJ x \$0.915	= 22,875.00	0.00	0.00%
7									
8	Rider 3 ESM	25,000.0	GJ x (\$0.029)	= (725.00)	25,000.0	GJ x (\$0.029)	= (725.00)	0.00	0.00%
9									
10	<u>Commodity Related Charges</u>								
11	Commodity Cost Recovery Charge	25,000.0	GJ x \$6.902	= 172,550.00	25,000.0	GJ x \$6.902	= 172,550.00	0.00	0.00%
12	Midstream Cost Recovery Charge	25,000.0	GJ x \$0.614	= 15,350.00	25,000.0	GJ x \$0.823	= 20,575.00	5,225.00	2.38%
13									
14									
15	Non-Standard Charges ( not forecast )								
16	Index Pricing Option, UOR								
17									
18	Total	<u>25,000.0</u>	\$8.792	<u>\$219,806.00</u>	<u>25,000.0</u>	\$9.001	<u>\$225,031.00</u>	<u>\$5,225.00</u>	2.38%
19									
20									
21	<b>INLAND SERVICE AREA</b>								
22	<u>Delivery Margin Related Charges</u>								
23	Basic Charge	122 months	x \$813.00	= \$9,756.00	122 months	x \$813.00	= \$9,756.00	\$0.00	0.00%
24									
25	Delivery Charge	10,700.0	GJ x \$0.915	= 9,790.50	10,700.0	GJ x \$0.915	= 9,790.50	0.00	0.00%
26									
27	Rider 3 ESM	10,700.0	GJ x (\$0.029)	= (310.30)	10,700.0	GJ x (\$0.029)	= (310.30)	0.00	0.00%
28									
29	<u>Commodity Related Charges</u>								
30	Commodity Cost Recovery Charge	10,700.0	GJ x \$6.902	= 73,851.40	10,700.0	GJ x \$6.902	= 73,851.40	0.00	0.00%
31	Midstream Cost Recovery Charge	10,700.0	GJ x \$0.615	= 6,580.50	10,700.0	GJ x \$0.812	= 8,688.40	2,107.90	2.11%
32									
33									
34	Non-Standard Charges ( not forecast )								
35	Index Pricing Option, UOR								
36									
37	Total	<u>10,700.0</u>	\$9.315	<u>\$99,668.10</u>	<u>10,700.0</u>	\$9.512	<u>\$101,776.00</u>	<u>\$2,107.90</u>	2.11%