



March 10, 2008

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

**Scott A. Thomson**  
VP, Finance & Regulatory Affairs and  
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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. – Fort Nelson Service Area (“Terasen Gas Fort Nelson”)  
Gas Cost Reconciliation Account (“GCRA”) Quarterly Gas Costs  
2008 First Quarter Report**

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The attached materials provide the Terasen Gas Fort Nelson 2008 First Quarter Report for the GCRA deferral account as required under British Columbia Utilities Commission (the “Commission”) guidelines.

Based on the forward prices as at February 27, 2008, the March 31, 2008 GCRA deferral balance is projected to be approximately \$95,300 deficit (after tax) (Tab 1, Page 2.0, Column 2, Line 34). Further, based on the February 27, 2008 forward prices, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending March 31, 2009, and accounting for the projected March 31, 2008 deferral balance, the GCRA ratio is calculated to be 81.2% (Tab 1, Page 1, Column 5, Line 11). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is required at this time.

The result indicates a gas cost flow through increase, effective April 1, 2008, of \$1.594/GJ would be required to eliminate the forecast under-recovery of the 12-month forward gas purchase costs and to amortize the projected March 31, 2008 deferral balance. A summary, including a component breakdown, of the \$1.594/GJ increase Terasen Gas Fort Nelson is requesting, effective April 1, 2008, is provided under the section titled “BALANCING REQUIREMENT” at Tab 1, Page 1, Lines 17 to 29. The schedules within Tab 2 provide a summary of the forecast monthly GCRA activity and deferral balances with the proposed gas cost flow through, effective April 1, 2008.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules include the proposed April 1, 2008 increase to the gas cost recovery charge component of rates, as well as the delivery charge changes required to the existing February 1, 2008 interim rates. The delivery charge changes relate to the Terasen Gas Fort Nelson Revised 2008 Revenue Requirements Application, dated January 30, 2008,

as approved and including the adjustments directed pursuant to Commission Order No. G-27-08, dated February 28, 2008. The combined Terasen Gas Fort Nelson rate changes, effective April 1, 2008, which include the gas cost recovery charge rate and the delivery charge rate changes, would increase the annual bill by approximately \$240 or 17%, for a typical Fort Nelson residential customer with an average annual consumption of 160 GJ.

In summary, Terasen Gas Fort Nelson hereby requests Commission approval to flow through in customers' rates, effective April 1, 2008, a gas cost recovery charge rate increase of \$1.594/GJ. The gas cost recovery charge component of rates would increase from \$6.868/GJ to \$8.462/GJ, effective April 1, 2008.

Provided in Tab 5 are the details of the forecast gas costs for the Fort Nelson service area. Terasen Gas Fort Nelson requests the information contained in Tab 5 be treated as CONFIDENTIAL.

### **CONFIDENTIALITY**

Consistent with past practice and previous discussions and positions on the confidentiality of selected filings (and further emphasized in Terasen Gas Inc.'s ("Terasen Gas") January 31, 1994 submission to the Commission, Terasen Gas is requesting that this information be filed on a confidential basis pursuant to Section 71(5) of the *Utilities Commission Act* and requests that the Commission exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. Terasen Gas believes this will ensure that market sensitive information is protected, and Terasen Gas' ability to obtain favourable commercial terms for future propane and natural gas contracting is not impaired.

Terasen Gas Fort Nelson will continue to monitor the forward prices and will report these results in the 2008 Second Quarter Gas Cost Report.

We trust the Commission will find the attached to be in order. However, should any further information be required, 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. - FORT NELSON SERVICE AREA  
 GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM  
 FOR THE PERIOD APRIL 1, 2008 TO MARCH 31, 2009  
 WITH EXISTING JULY 1, 2006 GAS COST RECOVERY RATES  
 (FEBRUARY 27, 2008 FORWARD PRICES)

Line No.	Particulars	Unit Cost (\$/GJ)	Volume (TJ)	Annual (\$000)	Percentage
	(1)	(2)	(3)	(4)	(5)
1	<b><u>RATE CHANGE TRIGGER MECHANISM</u></b>				
2					
3	Projected GCRA Balance as at March 31, 2008 (Page 2.0, Line 34, Col 2 grossed-up)			\$ 139.1	
4					
5	Forecast Incurred Gas Costs - April 2008 to March 2009 (Page 2.1, Line 20, Col 14)			\$ 4,861.9	
6					
7	Forecast Recovered Gas Costs - April 2008 to March 2009 (Page 2.1, Line 10, Col 14)			\$ 4,059.2	
8					
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$				
11					<b><u>81.2%</u></b>
12					
13					
14					
15					
16					
17	<b><u>BALANCING REQUIREMENT</u></b>				
18	(applicable when Rate Change Trigger Mechanism Ratio [Lines 10/11, Col 5] falls outside 95% to 105% deadband)				
19					
20	Projected 12-month amortization of GCRA as at March 31, 2008 (Line 3)			\$ 139.1	
21	Forecast GCRA - April 2008 to March 2009 (Line 5 - Line 7)			<u>\$ 802.7</u>	
22	Gas Costs Recovery Under/(Over) at Existing Rates			\$ 941.8	
23					
24	Forecast Annual Sales Volumes - April 2008 to March 2009		591.0		
25	(Page 2.1, Col. 14, Line 2 + Line 3)				
26					
27	Projected 12-month amortization - \$/GJ	\$ 0.235			
28	Forecast GCRA - \$/GJ	<u>\$ 1.358</u>			
29	Applicable Gas Cost Recovery Rate Increase (Decrease)	<u>\$ 1.594</u>			

WITH EXISTING JULY 1, 2006 GAS COST RECOVERY RATES  
 (FEBRUARY 27, 2008 FORWARD PRICES)

Line No.	Particulars	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	<b>RECOVERED GAS COSTS</b>												
2	Total Sales - TJ	41.4	23.1	15.1	9.8	12.5	20.1	43.9	69.4	87.9	108.5	81.4	76.7
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
4													
5	Recovery Unit Cost on Sales - \$/GJ	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680
7													
8	Recovery on Sales - \$000	\$ 284.3	\$ 158.7	\$ 103.7	\$ 67.3	\$ 85.9	\$ 138.0	\$ 301.5	\$ 476.6	\$ 603.7	\$ 745.2	\$ 559.1	\$ 526.8
9	Recovery on T-Service UAF - \$000	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
10	Total Forecast Recovered Gas Costs - \$000	\$ 285.0	\$ 159.4	\$ 104.4	\$ 68.0	\$ 86.6	\$ 138.7	\$ 302.2	\$ 477.3	\$ 604.4	\$ 745.9	\$ 559.8	\$ 527.5
11													
12													
13													
14	<b>INCURRED GAS COSTS</b>												
15	Total Purchases for Sales - TJ	41.6	23.3	15.2	9.9	12.6	20.2	44.2	69.8	88.3	109.0	81.8	77.1
16	- adjusted for Company Use and UAF												
17													
18	Blended Cost - \$/GJ	\$ 7.3489	\$ 7.3688	\$ 7.3976	\$ 7.4468	\$ 7.4712	\$ 7.4768	\$ 7.5141	\$ 8.3409	\$ 8.4789	\$ 8.5833	\$ 8.5717	\$ 8.4755
19													
20	Forecast Incurred Gas Costs - \$000	\$ 305.7	\$ 171.7	\$ 112.4	\$ 73.7	\$ 94.1	\$ 151.0	\$ 332.1	\$ 582.2	\$ 748.7	\$ 935.6	\$ 701.2	\$ 653.5
21													
22													
23													
24													
25													
26	<b>GCRA BALANCE</b>												
27	Opening Balance Before Tax	\$ 139.1	\$ 159.8	\$ 172.1	\$ 180.1	\$ 185.8	\$ 193.3	\$ 205.6	\$ 235.5	\$ 340.4	\$ 484.7	\$ 674.4	\$ 815.8
28	Forecast Activity	20.7	12.3	8.0	5.7	7.5	12.3	29.9	104.9	144.3	189.7	141.4	126.0
29	Closing Balance Before Tax	\$ 159.8	\$ 172.1	\$ 180.1	\$ 185.8	\$ 193.3	\$ 205.6	\$ 235.5	\$ 340.4	\$ 484.7	\$ 674.4	\$ 815.8	\$ 941.8
30													
31	Tax Rate	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.00%	31.00%	31.00%
32	Tax on Activity	6.5	3.9	2.5	1.8	2.4	3.9	9.4	33.0	45.5	58.8	43.8	39.1
33													
34	Opening Balance After Tax	\$ 95.3	\$ 109.5	\$ 117.9	\$ 123.4	\$ 127.3	\$ 132.4	\$ 140.8	\$ 161.3	\$ 233.2	\$ 332.0	\$ 462.9	\$ 560.5
35	Forecast Activity	14.2	8.4	5.5	3.9	5.1	8.4	20.5	71.9	98.8	130.9	97.6	86.9
36	Closing Balance After Tax - \$000	\$ 109.5	\$ 117.9	\$ 123.4	\$ 127.3	\$ 132.4	\$ 140.8	\$ 161.3	\$ 233.2	\$ 332.0	\$ 462.9	\$ 560.5	\$ 647.4

WITH EXISTING JULY 1, 2006 GAS COST RECOVERY RATES  
 (FEBRUARY 27, 2008 FORWARD PRICES)

Line No.	Particulars	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	12 months	24 months
														Apr08-Mar09 Forecast	Apr08-Mar10 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Total (14)	Total (15)
<b>1 RECOVERED GAS COSTS</b>															
2	Total Sales - TJ	41.5	23.2	15.2	9.9	12.6	20.2	44.0	69.9	88.6	109.3	82.0	77.2	589.8	1,183.4
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2	2.4
4															
5	Recovery Unit Cost on Sales - \$/GJ	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680		
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680		
7															
8	Recovery on Sales - \$000	\$ 285.0	\$ 159.3	\$ 104.4	\$ 68.0	\$ 86.5	\$ 138.7	\$ 302.2	\$ 480.1	\$ 608.5	\$ 750.7	\$ 563.2	\$ 530.2	\$ 4,050.8	\$ 8,127.6
9	Recovery on T-Service UAF - \$000	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	8.4	16.8
10	Total Forecast Recovered Gas Costs - \$000	\$ 285.7	\$ 160.0	\$ 105.1	\$ 68.7	\$ 87.2	\$ 139.4	\$ 302.9	\$ 480.8	\$ 609.2	\$ 751.4	\$ 563.9	\$ 530.9	\$ 4,059.2	\$ 8,144.4
11															
12															
13															
<b>14 INCURRED GAS COSTS</b>															
15	Total Purchases for Sales - TJ	41.7	23.4	15.3	10.0	12.7	20.3	44.3	70.3	89.0	109.8	82.4	77.6	593.0	1,189.8
16	- adjusted for Company Use and UAF														
17															
18	Blended Cost - \$/GJ	\$ 7.0751	\$ 7.0219	\$ 7.0532	\$ 7.0908	\$ 7.1222	\$ 7.1254	\$ 7.1723	\$ 7.8749	\$ 8.0902	\$ 8.1555	\$ 8.1999	\$ 8.0827	\$ 8.1988	\$ 8.0054
19															
20	Forecast Incurred Gas Costs - \$000	\$ 295.0	\$ 164.3	\$ 107.9	\$ 70.9	\$ 90.5	\$ 144.6	\$ 317.7	\$ 553.6	\$ 720.0	\$ 895.5	\$ 675.7	\$ 627.2	\$ 4,861.9	\$ 9,524.8
21															
22															
23															
24															
25															
<b>26 GCRA BALANCE</b>															
27	Opening Balance Before Tax	\$ 941.8	\$ 951.1	\$ 955.4	\$ 958.2	\$ 960.4	\$ 963.7	\$ 968.9	\$ 983.7	\$ 1,056.5	\$ 1,167.3	\$ 1,311.4	\$ 1,423.2		
28	Forecast Activity	9.3	4.3	2.8	2.2	3.3	5.2	14.8	72.8	110.8	144.1	111.8	96.3		
29	Closing Balance Before Tax	\$ 951.1	\$ 955.4	\$ 958.2	\$ 960.4	\$ 963.7	\$ 968.9	\$ 983.7	\$ 1,056.5	\$ 1,167.3	\$ 1,311.4	\$ 1,423.2	\$ 1,519.5		
30															
31	Tax Rate	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%		
32	Tax on Activity	2.9	1.3	0.9	0.7	1.0	1.6	4.6	22.6	34.3	43.2	33.5	28.9		
33															
34	Opening Balance After Tax	\$ 647.4	\$ 653.8	\$ 656.8	\$ 658.7	\$ 660.2	\$ 662.5	\$ 666.1	\$ 676.3	\$ 726.5	\$ 803.0	\$ 903.9	\$ 982.2		
35	Forecast Activity	6.4	3.0	1.9	1.5	2.3	3.6	10.2	50.2	76.5	100.9	78.3	67.4		
36	Closing Balance After Tax - \$000	\$ 653.8	\$ 656.8	\$ 658.7	\$ 660.2	\$ 662.5	\$ 666.1	\$ 676.3	\$ 726.5	\$ 803.0	\$ 903.9	\$ 982.2	\$ 1,049.6		

**TERASEN GAS INC. - FORT NELSON SERVICE AREA**  
**FORT NELSON INDEX PRICES COMPARISON OF FORWARD CURVES**  
**FOR THE PERIOD ENDING MARCH 2010**

Fort Nelson Forward Prices - \$/GJ				
Line No.	Particulars	2008 Q1	2007 Q4	Difference
		Gas Cost Report (February 27, 2008 Forward Prices)	Gas Cost Report (November 26, 2007 Forward Prices)	
	(1)	(2)	(3)	(4)=(2)-(3)
1	<b>2007</b>	<b>2007</b>	<b>2007</b>	
2	October	\$ 6.90	Recorded \$ 6.90	\$ -
3	November	\$ 7.54	Projected \$ 7.54	\$ -
4	December	Recorded \$ 7.78	\$ 7.67	\$ 0.10
5	Average - Oct -Dec/07	\$ 7.40	\$ 7.37	\$ 0.03
6				
7	<b>2008</b>	<b>2008</b>	<b>2008</b>	
8	January	Projected \$ 7.86	\$ 7.73	\$ 0.13
9	February	\$ 7.99	\$ 7.72	\$ 0.26
10	March	\$ 8.12	\$ 7.72	\$ 0.40
11	April	\$ 7.35	\$ 6.65	\$ 0.69
12	May	\$ 7.37	\$ 6.68	\$ 0.69
13	June	\$ 7.40	\$ 6.72	\$ 0.68
14	July	\$ 7.45	\$ 6.76	\$ 0.69
15	August	\$ 7.47	\$ 6.79	\$ 0.68
16	September	\$ 7.48	\$ 6.80	\$ 0.68
17	October	\$ 7.51	\$ 6.84	\$ 0.68
18	November	\$ 8.34	\$ 7.54	\$ 0.80
19	December	\$ 8.48	\$ 7.72	\$ 0.76
20	Average - 2008	\$ 7.73	\$ 7.14	\$ 0.59
21				
22	<b>2009</b>	<b>2009</b>	<b>2009</b>	
23	January	\$ 8.58	\$ 7.83	\$ 0.76
24	February	\$ 8.57	\$ 7.83	\$ 0.74
25	March	\$ 8.48	\$ 7.73	\$ 0.74
26	April	\$ 7.08	\$ 6.60	\$ 0.48
27	May	\$ 7.02	\$ 6.56	\$ 0.46
28	June	\$ 7.05	\$ 6.60	\$ 0.45
29	July	\$ 7.09	\$ 6.65	\$ 0.44
30	August	\$ 7.12	\$ 6.69	\$ 0.44
31	September	\$ 7.13	\$ 6.72	\$ 0.41
32	October	\$ 7.17	\$ 6.76	\$ 0.41
33	November	\$ 7.87	\$ 7.37	\$ 0.51
34	December	\$ 8.09	\$ 7.56	\$ 0.53
35	Average - 2009	\$ 7.60	\$ 7.07	\$ 0.53
36				
37	<b>2010</b>	<b>2010</b>	<b>2010</b>	
38	January	\$ 8.16	\$ -	
39	February	\$ 8.20	\$ -	
40	March	\$ 8.08	\$ -	
41	Average - 2010	\$ 8.15	\$ -	
42				
43				
44				
45				
46	<b>Comparison of Reporting Period</b>	<b>Apr/08-Mar/09</b>	<b>Jan/08-Dec/08</b>	
47	12-month simple average	\$ 7.87	\$ 7.14	\$ 0.73
48	<b>Comparison of Reporting Period</b>	<b>Apr/08-Mar/10</b>	<b>Jan/08-Dec/09</b>	
49	24-month simple average	\$ 7.69	\$ 7.11	\$ 0.58

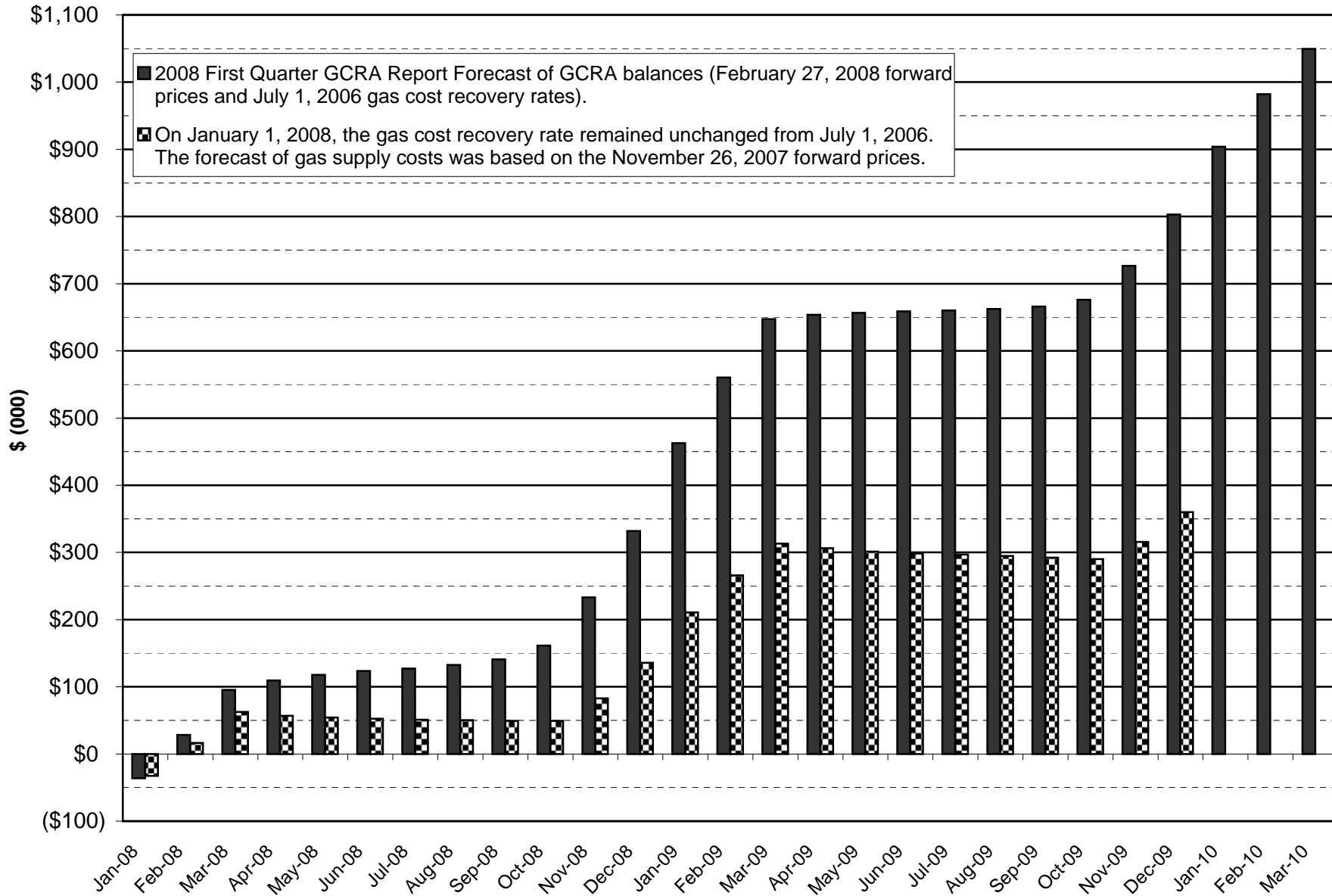
TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GCRA AFTER TAX BALANCES (\$000)  
FOR THE PERIOD ENDING MARCH 2010  
WITH EXISTING GAS COST RECOVERY RATES

Tab 1  
Page 4

Line No.	Particulars	2008 Q1 Gas Cost Report		2007 Q4 Gas Cost Report	
		July 1, 2006 Gas Cost Recovery Rates (February 27, 2008 Forward Prices)		July 1, 2006 Gas Cost Recovery Rates (November 26, 2007 Forward Prices)	
	(1)	(2)		(3)	
1	2007 January	Recorded \$	(242.3)	Recorded \$	(242.3)
2	February	Recorded \$	(151.6)	Recorded \$	(151.6)
3	March	Recorded \$	(144.0)	Recorded \$	(144.0)
4	April	Recorded \$	(160.4)	Recorded \$	(160.4)
5	May	Recorded \$	(239.7)	Recorded \$	(239.7)
6	June	Recorded \$	(143.5)	Recorded \$	(143.5)
7	July	Recorded \$	(199.6)	Recorded \$	(199.6)
8	August	Recorded \$	(156.5)	Recorded \$	(156.5)
9	September	Recorded \$	(196.6)	Recorded \$	(196.6)
10	October	Recorded \$	(185.3)	Recorded \$	(185.3)
11	November	Recorded \$	(185.4)	Projected \$	(151.0)
12	December	Recorded \$	(112.1)	\$	(99.1)
13	2008 January	Projected \$	(36.3)	\$	(32.6)
14	February	Projected \$	28.2	\$	16.5
15	March	\$	95.3	\$	62.5
16	April	\$	109.5	\$	56.8
17	May	\$	117.9	\$	54.2
18	June	\$	123.4	\$	52.6
19	July	\$	127.3	\$	50.9
20	August	\$	132.4	\$	50.2
21	September	\$	140.8	\$	49.3
22	October	\$	161.3	\$	49.2
23	November	\$	233.2	\$	82.9
24	December	\$	332.0	\$	135.9
25	2009 January	\$	462.9	\$	210.6
26	February	\$	560.5	\$	265.7
27	March	\$	647.4	\$	313.1
28	April	\$	653.8	\$	306.2
29	May	\$	656.8	\$	301.2
30	June	\$	658.7	\$	298.3
31	July	\$	660.2	\$	296.8
32	August	\$	662.5	\$	294.8
33	September	\$	666.1	\$	292.3
34	October	\$	676.3	\$	290.0
35	November	\$	726.5	\$	315.8
36	December	\$	803.0	\$	360.1
37	2010 January	\$	903.9		
38	February	\$	982.2		
39	March	\$	1,049.6		

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 GCRA AFTER TAX BALANCES BY MONTH  
 FOR THE PERIOD ENDING MARCH 2010

Tab 1  
 Page 4.1



Tab 1  
 Page 4.1



TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD APR 1, 2008 TO MAR 31, 2010

WITH PROPOSED APRIL 1, 2008 GAS COST RECOVERY RATES  
 (FEBRUARY 27, 2008 FORWARD PRICES)

Line No.	Particulars	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	<b>RECOVERED GAS COSTS</b>												
2	Total Sales - TJ	41.4	23.1	15.1	9.8	12.5	20.1	43.9	69.4	87.9	108.5	81.4	76.7
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
4													
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 6.8680	\$ 8.4620	\$ 8.4620	\$ 8.4620
7													
8	Recovery on Sales - \$000	\$ 350.3	\$ 195.5	\$ 127.8	\$ 82.9	\$ 105.8	\$ 170.1	\$ 371.5	\$ 587.3	\$ 743.8	\$ 918.1	\$ 688.8	\$ 649.0
9	Recovery on T-Service UAF - \$000	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8
10	Total Forecast Recovered Gas Costs - \$000	\$ 351.1	\$ 196.3	\$ 128.6	\$ 83.6	\$ 106.5	\$ 170.8	\$ 372.2	\$ 588.0	\$ 744.5	\$ 918.9	\$ 689.6	\$ 649.8
11													
12													
13													
14	<b>INCURRED GAS COSTS</b>												
15	Total Purchases for Sales - TJ	41.6	23.3	15.2	9.9	12.6	20.2	44.2	69.8	88.3	109.0	81.8	77.1
16	- adjusted for Company Use and UAF												
17													
18	Blended Cost - \$/GJ	\$ 7.3489	\$ 7.3688	\$ 7.3976	\$ 7.4468	\$ 7.4712	\$ 7.4768	\$ 7.5141	\$ 8.3409	\$ 8.4789	\$ 8.5833	\$ 8.5717	\$ 8.4755
19													
20	Forecast Incurred Gas Costs - \$000	\$ 305.7	\$ 171.7	\$ 112.4	\$ 73.7	\$ 94.1	\$ 151.0	\$ 332.1	\$ 582.2	\$ 748.7	\$ 935.6	\$ 701.2	\$ 653.5
21													
22													
23													
24													
25													
26	<b>GCRA BALANCE</b>												
27	Opening Balance Before Tax	\$ 139.1	\$ 93.7	\$ 69.1	\$ 52.9	\$ 42.9	\$ 30.4	\$ 10.5	\$ (29.7)	\$ (35.6)	\$ (31.5)	\$ (14.8)	\$ (3.2)
28	Forecast Activity	(45.4)	(24.6)	(16.2)	(9.9)	(12.4)	(19.8)	(40.1)	(5.8)	4.2	16.7	11.6	3.7
29	Closing Balance Before Tax	\$ 93.7	\$ 69.1	\$ 52.9	\$ 43.0	\$ 30.5	\$ 10.6	\$ (29.6)	\$ (35.5)	\$ (31.4)	\$ (14.8)	\$ (3.2)	\$ 0.5
30													
31	Tax Rate	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.00%	31.00%	31.00%
32	Tax on Activity	(14.3)	(7.7)	(5.1)	(3.1)	(3.9)	(6.2)	(12.6)	(1.8)	1.3	5.2	3.6	1.1
33													
34	Opening Balance After Tax	\$ 95.3	\$ 64.2	\$ 47.3	\$ 36.2	\$ 29.4	\$ 20.8	\$ 7.2	\$ (20.3)	\$ (24.3)	\$ (21.5)	\$ (10.0)	\$ (2.0)
35	Forecast Activity	(31.1)	(16.9)	(11.1)	(6.8)	(8.5)	(13.6)	(27.5)	(4.0)	2.9	11.5	8.0	2.6
36	Closing Balance After Tax - \$000	\$ 64.2	\$ 47.3	\$ 36.2	\$ 29.4	\$ 20.8	\$ 7.2	\$ (20.3)	\$ (24.3)	\$ (21.5)	\$ (10.0)	\$ (2.0)	\$ 0.6

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD APR 1, 2008 TO MAR 31, 2010

WITH PROPOSED APRIL 1, 2008 GAS COST RECOVERY RATES  
 (FEBRUARY 27, 2008 FORWARD PRICES)

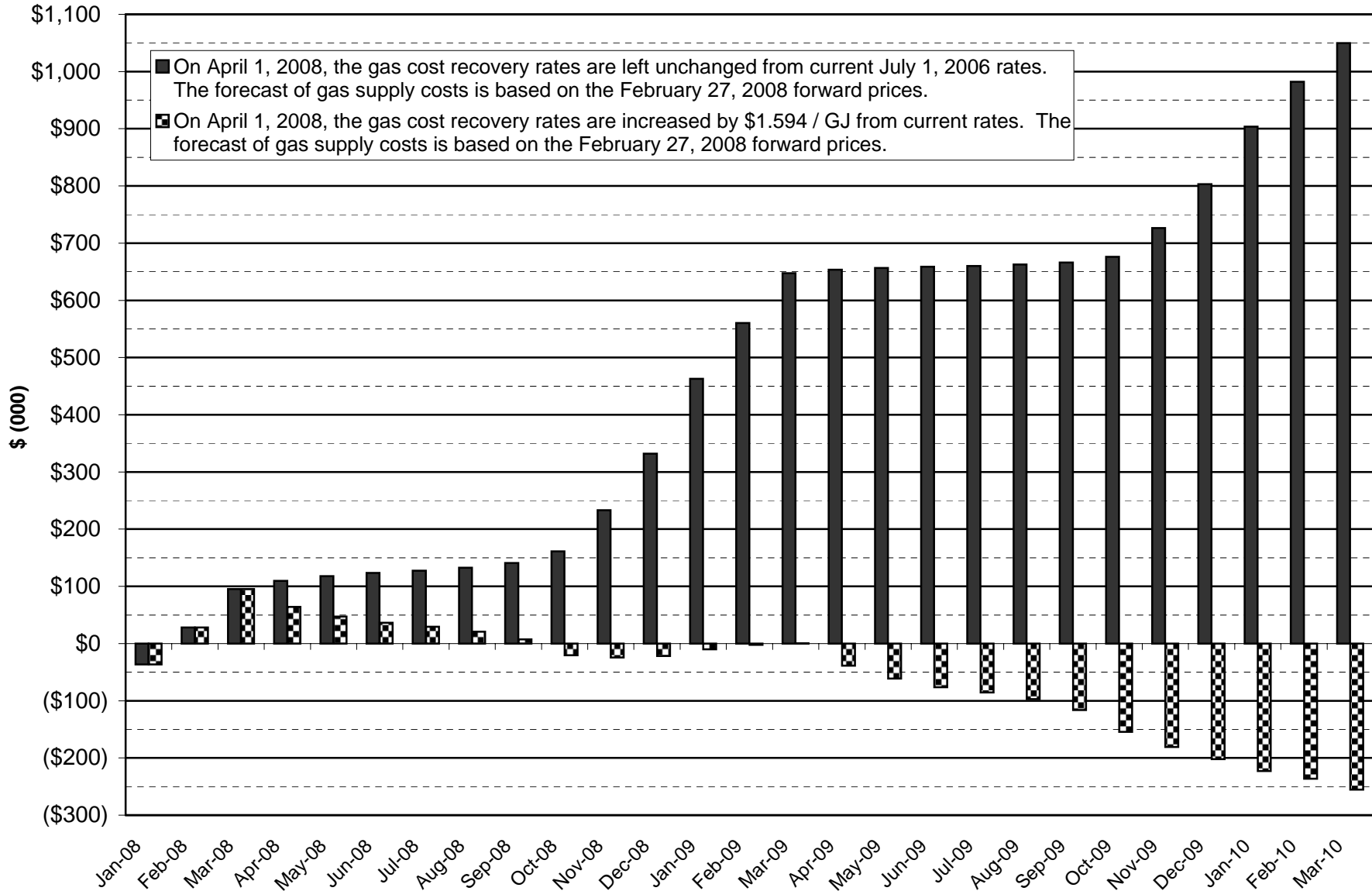
Line No.	Particulars	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	12 months	24 months
														Apr08-Mar09 Forecast	Apr08-Mar10 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Total	Total
<b>1 RECOVERED GAS COSTS</b>															
2	Total Sales - TJ	41.5	23.2	15.2	9.9	12.6	20.2	44.0	69.9	88.6	109.3	82.0	77.2	589.8	1,183.4
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2	2.4
4															
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620		
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620		
7															
8	Recovery on Sales - \$000	\$ 351.2	\$ 196.3	\$ 128.6	\$ 83.8	\$ 106.6	\$ 170.9	\$ 372.3	\$ 591.5	\$ 749.7	\$ 924.9	\$ 693.9	\$ 653.3	\$ 4,990.9	\$ 10,013.9
9	Recovery on T-Service UAF - \$000	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	9.0	18.6
10	Total Forecast Recovered Gas Costs - \$000	\$ 352.0	\$ 197.1	\$ 129.4	\$ 84.6	\$ 107.4	\$ 171.7	\$ 373.1	\$ 592.3	\$ 750.5	\$ 925.7	\$ 694.7	\$ 654.1	\$ 4,999.9	\$ 10,032.5
11															
12															
13															
<b>14 INCURRED GAS COSTS</b>															
15	Total Purchases for Sales - TJ	41.7	23.4	15.3	10.0	12.7	20.3	44.3	70.3	89.0	109.8	82.4	77.6	593.0	1,189.8
16	- adjusted for Company Use and UAF														
17															
18	Blended Cost - \$/GJ	\$ 7.0751	\$ 7.0219	\$ 7.0532	\$ 7.0908	\$ 7.1222	\$ 7.1254	\$ 7.1723	\$ 7.8749	\$ 8.0902	\$ 8.1555	\$ 8.1999	\$ 8.0827	\$ 8.1988	\$ 8.0054
19															
20	Forecast Incurred Gas Costs - \$000	\$ 295.0	\$ 164.3	\$ 107.9	\$ 70.9	\$ 90.5	\$ 144.6	\$ 317.7	\$ 553.6	\$ 720.0	\$ 895.5	\$ 675.7	\$ 627.2	\$ 4,861.9	\$ 9,524.8
21															
22															
23															
24															
25															
<b>26 GCRA BALANCE</b>															
27	Opening Balance Before Tax	\$ 0.5	\$ (56.5)	\$ (89.3)	\$ (110.8)	\$ (124.5)	\$ (141.4)	\$ (168.5)	\$ (223.9)	\$ (262.6)	\$ (293.1)	\$ (323.3)	\$ (342.3)		
28	Forecast Activity	(57.0)	(32.8)	(21.5)	(13.7)	(16.9)	(27.1)	(55.4)	(38.7)	(30.5)	(30.2)	(19.0)	(26.9)		
29	Closing Balance Before Tax	\$ (56.5)	\$ (89.3)	\$ (110.8)	\$ (124.5)	\$ (141.4)	\$ (168.5)	\$ (223.9)	\$ (262.6)	\$ (293.1)	\$ (323.3)	\$ (342.3)	\$ (369.2)		
30															
31	Tax Rate	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%		
32	Tax on Activity	(17.7)	(10.2)	(6.7)	(4.2)	(5.2)	(8.4)	(17.2)	(12.0)	(9.5)	(9.1)	(5.7)	(8.1)		
33															
34	Opening Balance After Tax	\$ 0.6	\$ (38.7)	\$ (61.3)	\$ (76.1)	\$ (85.6)	\$ (97.3)	\$ (116.0)	\$ (154.2)	\$ (180.9)	\$ (201.9)	\$ (223.0)	\$ (236.3)		
35	Forecast Activity	(39.3)	(22.6)	(14.8)	(9.5)	(11.7)	(18.7)	(38.2)	(26.7)	(21.0)	(21.1)	(13.3)	(18.8)		
36	Closing Balance After Tax - \$000	\$ (38.7)	\$ (61.3)	\$ (76.1)	\$ (85.6)	\$ (97.3)	\$ (116.0)	\$ (154.2)	\$ (180.9)	\$ (201.9)	\$ (223.0)	\$ (236.3)	\$ (255.1)		

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GCRA AFTER TAX BALANCES (\$000)  
FOR THE PERIOD ENDING MARCH 2010  
**COMPARISON OF PROPOSED APRIL 1, 2008 RATES TO EXISTING RATES**

**Tab 2**  
**Page 2**

Line No.	Particulars	2008 Q1 Gas Cost Report Proposed April 1, 2008 Rates (February 27, 2008 Forward Prices)		2008 Q1 Gas Cost Report July 1, 2006 Gas Cost Recovery Rates (February 27, 2008 Forward Prices)	
		(1)	(2)	(2)	(2)
1	2007	January	Recorded \$ (242.3)	Recorded \$ (242.3)	
2		February	Recorded \$ (151.6)	Recorded \$ (151.6)	
3		March	Recorded \$ (144.0)	Recorded \$ (144.0)	
4		April	Recorded \$ (160.4)	Recorded \$ (160.4)	
5		May	Recorded \$ (239.7)	Recorded \$ (239.7)	
6		June	Recorded \$ (143.5)	Recorded \$ (143.5)	
7		July	Recorded \$ (199.6)	Recorded \$ (199.6)	
8		August	Recorded \$ (156.5)	Recorded \$ (156.5)	
9		September	Recorded \$ (196.6)	Recorded \$ (196.6)	
10		October	Recorded \$ (185.3)	Recorded \$ (185.3)	
11		November	Recorded \$ (185.4)	Recorded \$ (185.4)	
12		December	Recorded \$ (112.1)	Recorded \$ (112.1)	
13	2008	January	Projected \$ (36.3)	Recorded \$ (36.3)	
14		February	Projected \$ 28.2	Projected \$ 28.2	
15		March	\$ 95.3	\$ 95.3	
16		April	\$ 64.2	\$ 109.5	
17		May	\$ 47.3	\$ 117.9	
18		June	\$ 36.2	\$ 123.4	
19		July	\$ 29.4	\$ 127.3	
20		August	\$ 20.8	\$ 132.4	
21		September	\$ 7.2	\$ 140.8	
22		October	\$ (20.3)	\$ 161.3	
23		November	\$ (24.3)	\$ 233.2	
24		December	\$ (21.5)	\$ 332.0	
25	2009	January	\$ (10.0)	\$ 462.9	
26		February	\$ (2.0)	\$ 560.5	
27		March	\$ 0.6	\$ 647.4	
28		April	\$ (38.7)	\$ 653.8	
29		May	\$ (61.3)	\$ 656.8	
30		June	\$ (76.1)	\$ 658.7	
31		July	\$ (85.6)	\$ 660.2	
32		August	\$ (97.3)	\$ 662.5	
33		September	\$ (116.0)	\$ 666.1	
34		October	\$ (154.2)	\$ 676.3	
35		November	\$ (180.9)	\$ 726.5	
36		December	\$ (201.9)	\$ 803.0	
37	2010	January	\$ (223.0)	\$ 903.9	
38		February	\$ (236.3)	\$ 982.2	
39		March	\$ (255.1)	\$ 1,049.6	

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 GCRA AFTER TAX BALANCES BY MONTH  
 FOR THE PERIOD ENDING MARCH 2010



Tab 2, Page 2.1

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR  
 RATE 1 DOMESTIC SERVICE  
 EFFECTIVE APRIL 1, 2008  
 BCUC ORDER No. G-27-08 (Delivery Margin Related) & G-xx-08 (Gas Cost)

Line No.	Schedule	Tariff Page	Particulars	Delivery Margin Related and		Apr. 1, 2008 Proposed Rates
				Feb. 1, 2008 Rates	Gas Cost Changes	
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 1	No. 1	<b>Option A</b>			
2						
3			Minimum Monthly Charge			
4			plus \$1.19 times			
5			the amount of the promotional			
6			incentive divided by \$100.			
7			(includes the first 2 Gigajoules)			
8						
9			Delivery Charge per Month	\$5.45	(\$0.02)	\$5.43
10			Feb to Mar 2008 Delivery Rate Rebate per Month	\$0.00	(\$0.10)	(\$0.10)
11			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
12			Gas Cost Recovery Charge per Month	\$13.74	\$3.19	\$16.93
13			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$19.42</b>	<b>\$3.07</b>	<b>\$22.49</b>
14						
15			Delivery Charge per GJ	\$1.595	(\$0.057)	\$1.538
16			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.049)	(\$0.049)
17			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
18			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
19			<b>Next 28 Gigajoules in any month</b>	<b>\$8.577</b>	<b>\$1.490</b>	<b>\$10.067</b>
20						
21			Delivery Charge per GJ	\$1.549	(\$0.054)	\$1.495
22			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.049)	(\$0.049)
23			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
24			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
25			<b>Excess of 30 Gigajoules in any month</b>	<b>\$8.531</b>	<b>\$1.493</b>	<b>\$10.024</b>
26						
27						
28	Rate 1	No. 1.1	<b>Option B</b>			
29						
30			Delivery Charge per Month	\$5.45	(\$0.02)	\$5.43
31			Feb to Mar 2008 Delivery Rate Rebate per Month	\$0.00	(\$0.10)	(\$0.10)
32			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
33			Gas Cost Recovery Charge per Month	\$13.74	\$3.19	\$16.93
34			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$19.42</b>	<b>\$3.07</b>	<b>\$22.49</b>
35						
36			Delivery Charge per GJ	\$1.595	(\$0.057)	\$1.538
37			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.049)	(\$0.049)
38			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
39			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
40			<b>Next 28 Gigajoules in any month</b>	<b>\$8.577</b>	<b>\$1.490</b>	<b>\$10.067</b>
41						
42			Delivery Charge per GJ	\$1.549	(\$0.054)	\$1.495
43			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.049)	(\$0.049)
44			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
45			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
46			<b>Excess of 30 Gigajoules in any month</b>	<b>\$8.531</b>	<b>\$1.493</b>	<b>\$10.024</b>

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR  
 RATES 2.1, 2.2 & 2.3 GENERAL SERVICE  
 EFFECTIVE APRIL 1, 2008  
 BCUC ORDER No. G-27-08 (Delivery Margin Related) & G-xx-08 (Gas Cost)

Line No.	Schedule	Tariff Page	Particulars	Delivery Margin Related and		Apr. 1, 2008 Proposed Rates
				Feb. 1, 2008 Rates	Gas Cost Changes	
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$17.03	(\$0.63)	\$16.40
2			Feb to Mar 2008 Delivery Rate Rebate per Month	\$0.00	(\$0.13)	(\$0.13)
3			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
4			Gas Cost Recovery Charge per Month	\$13.74	\$3.19	\$16.93
5			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$31.00</b>	<b>\$2.43</b>	<b>\$33.43</b>
6						
7			Delivery Charge per GJ	\$1.782	(\$0.052)	\$1.730
8			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.066)	(\$0.066)
9			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
10			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
11			<b>Next 298 Gigajoules in any month</b>	<b>\$8.764</b>	<b>\$1.478</b>	<b>\$10.242</b>
12						
13			Delivery Charge per GJ	\$1.726	(\$0.048)	\$1.678
14			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.066)	(\$0.066)
15			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
16			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
17			<b>Excess of 300 Gigajoules in any month</b>	<b>\$8.708</b>	<b>\$1.482</b>	<b>\$10.190</b>
18						
19	Rate 2.2	No. 2	Delivery Charge per Month	\$17.03	(\$0.63)	\$16.40
20			Feb to Mar 2008 Delivery Rate Rebate per Month	\$0.00	(\$0.13)	(\$0.13)
21			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
22			Gas Cost Recovery Charge per Month	\$13.74	\$3.19	\$16.93
23			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$31.00</b>	<b>\$2.43</b>	<b>\$33.43</b>
24						
25			Delivery Charge per GJ	\$1.782	(\$0.052)	\$1.730
26			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.066)	(\$0.066)
27			Revenue Stabilization Adjustment Amount per GJ	\$0.114	\$0.002	\$0.116
28			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
29			<b>Next 298 Gigajoules in any month</b>	<b>\$8.764</b>	<b>\$1.478</b>	<b>\$10.242</b>
30						
31			Delivery Charge per GJ	\$1.726	(\$0.048)	\$1.678
32			Feb to Mar 2008 Delivery Rate Rebate per GJ	\$0.000	(\$0.066)	(\$0.066)
33			Revenue Stabilization Adjustment Amount per GJ	0.114	\$0.002	\$0.116
34			Gas Cost Recovery Charge per GJ	6.868	\$1.594	8.462
35			<b>Excess of 300 Gigajoules in any month</b>	<b>\$8.708</b>	<b>\$1.482</b>	<b>\$10.190</b>
36						
37	Rate 2.3	No. 2.1	Delivery Charge per Month	\$17.72	(\$1.18)	\$16.54
38			Gas Cost Recovery Charge per Month	\$13.74	\$3.19	\$16.93
39			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$31.46</b>	<b>\$2.01</b>	<b>\$33.47</b>
40						
41			Delivery Charge per GJ	\$2.178	(\$0.145)	\$2.033
42			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
43			<b>Next 298 Gigajoules in any month</b>	<b>\$9.046</b>	<b>\$1.449</b>	<b>\$10.495</b>
44						
45			Delivery Charge per GJ	\$2.122	(\$0.141)	\$1.981
46			Gas Cost Recovery Charge per GJ	\$6.868	\$1.594	\$8.462
47			<b>Excess of 300 Gigajoules in any month</b>	<b>\$8.990</b>	<b>\$1.453</b>	<b>\$10.443</b>

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR  
 RATES 3.1, 3.2 & 3.3 INDUSTRIAL SERVICE  
 EFFECTIVE APRIL 1, 2008  
 BCUC ORDER No. G-27-08 (Delivery Margin Related) & G-xx-08 (Gas Cost)

Line No.	Schedule	Tariff Page	Particulars	Delivery Margin Related and		Apr. 1, 2008 Proposed Rates
				Feb. 1, 2008 Rates	Gas Cost Changes	
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$1.501	(\$0.099)	\$1.402
4			Next 260 Gigajoules in any month	\$1.392	(\$0.093)	\$1.299
5			Excess over 280 Gigajoules in any month	\$1.136	(\$0.076)	\$1.060
6						
7			Revenue Stabilization Adjustment Amount per GJ	0.114	\$0.002	\$0.116
8			Gas Cost Recovery Charge per Gigajoule	\$6.868	\$1.594	\$8.462
9						
10			Minimum Monthly Delivery Charge	\$1,153.00	(\$77.00)	\$1,076.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$1.501	(\$0.099)	\$1.402
16			Next 260 Gigajoules in any month	\$1.392	(\$0.093)	\$1.299
17			Excess over 280 Gigajoules in any month	\$1.136	(\$0.076)	\$1.060
18						
19			Revenue Stabilization Adjustment Amount per GJ	0.114	\$0.002	\$0.116
20			Gas Cost Recovery Charge per Gigajoule	\$6.868	\$1.594	\$8.462
21						
22			Minimum Monthly Delivery Charge	\$1,153.00	(\$77.00)	\$1,076.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$1.501	(\$0.099)	\$1.402
28			Next 260 Gigajoules in any month	\$1.392	(\$0.093)	\$1.299
29			Excess over 280 Gigajoules in any month	\$1.136	(\$0.076)	\$1.060
30						
31			Revenue Stabilization Adjustment Amount per GJ	0.114	\$0.002	\$0.116
32			Gas Cost Recovery Charge per Gigajoule	\$6.868	\$1.594	\$8.462
33						
34			Minimum Monthly Delivery Charge	\$1,153.00	(\$77.00)	\$1,076.00

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR  
 RATE 25 TRANSPORTATION SERVICE  
 EFFECTIVE APRIL 1, 2008  
 BCUC ORDER No. G-27-08 (Delivery Margin Related) & G-xx-08 (Gas Cost)

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	Feb. 1, 2008 Rates (4)	Delivery Margin Related and Gas Cost Changes (5)	Apr. 1, 2008 Proposed Rates (6)
1	Rate 25	No. 4.21	Transportation Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$1.501	(\$0.094)	\$1.407
4			Next 260 Gigajoules in any month	\$1.392	(\$0.088)	\$1.304
5			Excess over 280 Gigajoules in any month	\$1.136	(\$0.073)	\$1.063
6						
7			Minimum Monthly Delivery Charge	\$1,153.0	(\$77.00)	\$1,076.00
8						
9			Administration Charge per Month	\$202.00	\$0.00	\$202.00
10						
11			Delivery Margin Related Rider			
12			Rider 5: RSAM per GJ	\$0.114	\$0.002	\$0.116



**TERASEN GAS INC. - FORT NELSON SERVICE AREA**  
 IMPACT ON CUSTOMERS BILLS OF APRIL 1, 2008 RATE CHANGES

**RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B**

Line No.	Existing February 1, 2008 Rates			Proposed April 1, 2008			Annual Increase/(Decrease)			
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill	
1	<b>Rate 1 Domestic Service Option B</b>									
2										
3	<u>Monthly Charge</u>									
4	12 months x	\$5.45	\$65.40	12 months x	\$5.43	\$65.16	(\$0.02)	(\$0.24)	-0.02%	
5	12 months x	0.00	0.00	12 months x	(0.10)	(1.18)	(0.10)	(1.18)	-0.08%	
6	12 months x	0.23	2.76	12 months x	0.23	2.76	0.00	0.00	0.00%	
7	12 months x	13.74	164.88	12 months x	16.93	203.16	3.19	38.28	2.74%	
8		\$19.42	\$233.04		\$22.49	\$269.90	\$3.07	\$36.86	2.63%	
9										
10	<u>Next 28 Gigajoules in any month</u>									
11	136 GJ x	\$1.595	\$216.92	136 GJ x	\$1.538	\$209.17	(\$0.057)	(\$7.75)	-0.55%	
12	136 GJ x	0.000	0.00	136 GJ x	(0.049)	(6.660)	(0.049)	(6.66)	-0.48%	
13	136 GJ x	0.114	15.50	136 GJ x	0.116	15.780	0.002	0.28	0.02%	
14	136 GJ x	6.868	934.05	136 GJ x	8.462	1,150.830	1.594	216.78	15.49%	
15		\$8.577	\$1,166.47		\$10.067	\$1,369.12	\$1.490	\$202.65	14.48%	
16										
17	<u>Excess of 30 Gigajoules in any month</u>									
18	0 GJ x	\$1.549	\$0.00	0 GJ x	\$1.495	\$0.00	(\$0.054)	\$0.00	0.00%	
19	0 GJ x	0.000	0.00	0 GJ x	(0.049)	0.00	(0.049)	0.00	0.00%	
20	0 GJ x	0.114	0.00	0 GJ x	0.116	0.00	0.002	0.00	0.00%	
21	0 GJ x	6.868	0.00	0 GJ x	8.462	0.00	1.594	0.00	0.00%	
22		\$8.531	\$0.00		\$10.024	\$0.00	\$1.493	\$0.00	0.00%	
23										
24	Total	160 GJ x	\$8.747	\$1,399.51	160 GJ x	\$10.244	\$1,639.02	\$1.497	\$239.51	17.11%
25										
26										
27	<u>Summary of Annual Delivery and Commodity Charges</u>									
28	160 GJ x	\$1.879	\$300.58	160 GJ x	\$1.781	\$285.03	(\$0.098)	(\$15.55)	-1.11%	
29	160 GJ x	\$6.868	\$1,098.93	160 GJ x	\$8.462	\$1,353.99	\$1.594	\$255.06	18.22%	
30	Total	160 GJ x	\$8.747	\$1,399.51	160 GJ x	\$10.244	\$1,639.02	\$1.497	\$239.51	17.11%

**TERASEN GAS INC. - FORT NELSON SERVICE AREA**  
 IMPACT ON CUSTOMERS BILLS OF APRIL 1, 2008 RATE CHANGES

**RATE 2.1 - GENERAL (COMMERCIAL) SERVICE**

Line No.	Existing February 1, 2008 Rates			Proposed April 1, 2008			Annual Increase/(Decrease)		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	<b>Rate 2.1 General Service</b>								
2									
3	<u>Monthly Charge</u>								
4	12 months x	\$17.03 =	\$204.36	12 months x	\$16.40 =	\$196.80	(\$0.63)	(\$7.56)	-0.15%
5	12 months x	0.00 =	0.00	12 months x	(0.13) =	(1.56)	(0.13)	(1.56)	-0.03%
6	12 months x	0.23 =	2.76	12 months x	0.23 =	2.76	0.00	0.00	0.00%
7	12 months x	13.74 =	164.88	12 months x	16.93 =	203.16	3.19	38.28	0.77%
8			\$31.00			\$401.16	\$2.43	\$29.16	0.59%
9									
10	<u>Next 298 Gigajoules in any month</u>								
11	526 GJ x	\$1.782 =	\$937.33	526 GJ x	\$1.730 =	\$909.98	(\$0.052)	(\$27.35)	-0.55%
12	526 GJ x	0.000 =	0.00	526 GJ x	(0.066) =	(34.72)	(0.066)	(34.72)	-0.70%
13	526 GJ x	0.114 =	59.96	526 GJ x	0.116 =	61.02	0.002	1.06	0.02%
14	526 GJ x	6.868 =	3,612.57	526 GJ x	8.462 =	4,451.01	1.594	838.44	16.83%
15			\$8.764			\$5,387.29	\$1.478	\$777.43	15.61%
16									
17	<u>Excess of 300 Gigajoules in any month</u>								
18	0 GJ x	\$1.726 =	\$0.00	0 GJ x	\$1.678 =	\$0.00	(\$0.048)	\$0.00	0.00%
19	0 GJ x	0.000 =	0.00	0 GJ x	(0.066) =	0.00	(0.066)	0.00	0.00%
20	0 GJ x	0.114 =	0.00	0 GJ x	0.116 =	0.00	0.002	0.00	0.00%
21	0 GJ x	6.868 =	0.00	0 GJ x	8.462 =	0.00	1.594	0.00	0.00%
22			\$8.708			\$0.00	\$1.482	\$0.00	0.00%
23									
24	<u>550</u> GJ x	<u>\$9.058</u>	<u>\$4,981.86</u>	<u>550</u> GJ x	<u>\$10.524</u>	<u>\$5,788.45</u>	<u>\$1.466</u>	<u>\$806.59</u>	16.19%
25									
26	<u>Summary of Annual Delivery and Commodity Charges</u>								
27	550 GJ x	\$2.190 =	\$1,204.41	550 GJ x	\$2.062 =	\$1,134.28	(\$0.128)	(\$70.13)	-1.41%
28	550 GJ x	\$6.868 =	\$3,777.45	550 GJ x	\$8.462 =	\$4,654.17	\$1.594	\$876.72	17.60%
29	550 GJ x	\$9.058 =	\$4,981.86	550 GJ x	\$10.524 =	\$5,788.45	\$1.466	\$806.59	16.19%
30									

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
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RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing February 1, 2008 Rates						Proposed April 1, 2008			Annual Increase/(Decrease)							
	Volume		Rate		Annual \$		Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill					
1	<b>Rate 2.2 General Service</b>																
2																	
3	<u>Monthly Charge</u>																
4	12 months x		\$17.03	=	\$204.36	12 months x	\$16.40	=	\$196.80	(\$0.63)	(\$7.56)	-0.03%					
5	12 months x		0.00	=	0.00	12 months x	(0.13)	=	(1.56)	(0.13)	(1.56)	-0.01%					
6	12 months x		0.23	=	2.76	12 months x	0.23	=	2.76	0.00	0.00	0.00%					
7	12 months x		13.74	=	164.88	12 months x	16.93	=	203.16	3.19	38.28	0.13%					
8					\$31.00				\$401.16	\$2.43	\$29.16	0.10%					
9																	
10	<u>Next 298 Gigajoules in any month</u>																
11	3,326	GJ x	\$1.782	=	\$5,926.93	3,326	GJ x	\$1.730	=	\$5,753.98	(\$0.052)	(\$172.95)	-0.59%				
12	3,326	GJ x	0.000	=	0.00	3,326	GJ x	(0.066)	=	(219.52)	(0.066)	(219.52)	-0.74%				
13	3,326	GJ x	0.114	=	379.16	3,326	GJ x	0.116	=	385.82	0.002	6.66	0.02%				
14	3,326	GJ x	6.868	=	22,842.97	3,326	GJ x	8.462	=	28,144.61	1.594	5,301.64	17.96%				
15					\$8.764				\$10.242	\$1.478	\$4,915.83	16.65%					
16																	
17	<u>Excess of 300 Gigajoules in any month</u>																
18	0	GJ x	\$1.726	=	\$0.00	0	GJ x	\$1.678	=	\$0.00	(\$0.048)	\$0.00	0.00%				
19	0	GJ x	0.000	=	0.00	0	GJ x	(0.066)	=	0.00	(0.066)	0.00	0.00%				
20	0	GJ x	0.114	=	0.00	0	GJ x	0.116	=	0.00	0.002	0.00	0.00%				
21	0	GJ x	6.868	=	0.00	0	GJ x	8.462	=	0.00	1.594	0.00	0.00%				
22					\$8.708				\$10.190	\$1.482	\$0.00	0.00%					
23																	
24	Total				<u>3,350</u>	GJ x	\$8.812		<u>\$29,521.06</u>	<u>3,350</u>	GJ x	\$10.288		<u>\$34,466.05</u>	\$1.476	<u>\$4,944.99</u>	16.75%
25																	
26	<u>Summary of Annual Delivery and Commodity Charges</u>																
27	3,350	GJ x	\$1.944	=	\$6,513.21	3,350	GJ x	\$1.826	=	\$6,118.28	(\$0.118)	(\$394.93)	-1.34%				
28	3,350	GJ x	\$6.868	=	\$23,007.85	3,350	GJ x	\$8.462	=	\$28,347.77	\$1.594	\$5,339.92	18.09%				
29	Total				<u>3,350</u>	GJ x	\$8.812		<u>\$29,521.06</u>	<u>3,350</u>	GJ x	\$10.288		<u>\$34,466.05</u>	\$1.476	<u>\$4,944.99</u>	16.75%

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 IMPACT ON CUSTOMERS BILLS OF APRIL 1, 2008 RATE CHANGES

RATE 25 - TRANSPORTATION SERVICE

Line No.	Existing February 1, 2008 Rates						Proposed April 1, 2008			Annual Increase/(Decrease)			
	Volume	Rate	Annual \$			Volume	Rate	Annual \$		Rate	Annual \$	% of Previous Annual Bill	
1	<b>Rate 25 Transportation Service</b>												
2													
3	<u>Transportation Delivery Charges</u>												
4													
5	Delivery Charge per Gigajoule												
6	240	GJ x	\$1.501	=	\$360.24	240	GJ x	\$1.407	=	\$337.68	-\$0.094	(\$22.56)	-0.01%
7	3,120	GJ x	\$1.392	=	4,343.04	3,120	GJ x	\$1.304	=	4,068.48	-\$0.088	(\$274.56)	-0.11%
8	202,640	GJ x	\$1.136	=	230,199.04	202,640	GJ x	\$1.063	=	215,406.32	-\$0.073	(\$14,792.72)	-5.67%
9	12 months x		\$1,153.00	=	-	12 months x		\$1,076.00	=	-	-\$77.000	\$0.00	0.00%
10													
11	12 months x		\$202.00	=	2,424.00	12 months x		\$202.00	=	2,424.00	\$0.00	0.00	0.00%
12													
13	206,000	GJ x	\$0.114	=	23,484.00	206,000	GJ x	\$0.116	=	23,896.00	\$0.002	412.00	0.16%
14	Rider 5: RSAM per GJ												
15	<u>206,000</u>	GJ x	\$1.266	=	<u>\$260,810.32</u>	<u>206,000</u>	GJ x	\$1.195	=	<u>\$246,132.48</u>	-\$0.071	<u>(\$14,677.84)</u>	-5.63%
16													
17													
18	<u>Summary of Annual Delivery, Administration and Commodity Charges</u>												
19	206,000	GJ x	\$1.266	=	\$260,810.32	206,000	GJ x	\$1.195	=	\$246,132.48	(\$0.071)	(\$14,677.84)	-5.63%
20	0	GJ	\$0.000	=	\$0.00	0	GJ	\$0.000	=	\$0.00	\$0.000	\$0.00	0.00%
21	206,000	GJ x	\$1.266	=	<u>\$260,810.32</u>	206,000	GJ x	\$1.195	=	<u>\$246,132.48</u>	(\$0.071)	<u>(\$14,677.84)</u>	-5.63%