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June 6, 2008

British Columbia Utilities Commission  
6th 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. – Fort Nelson Service Area (“Terasen Gas Fort Nelson”)  
Gas Cost Reconciliation Account (“GCRA”) Quarterly Gas Costs  
2008 Second Quarter Report**

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

Based on the forward prices as at May 28, 2008, the June 30, 2008 GCRA deferral balance is projected to be approximately \$244,900 deficit (after tax) (Tab 1, Page 2.0, Column 2, Line 34). Further, based on the May 28, 2008 forward prices, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending June 30, 2009, and accounting for the projected June 30, 2008 deferral balance, the GCRA ratio is calculated to be 83.4% (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 July 1, 2008, of \$1.689/GJ would be required to eliminate the forecast under-recovery of the 12-month forward gas purchase costs and to amortize the projected June 30, 2008 deferral balance. A summary, including a component breakdown, of the \$1.689/GJ increase Terasen Gas Fort Nelson is requesting effective July 1, 2008, is provided under the section titled “BALANCING REQUIREMENT” at Tab 1, Page 1. 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 July 1, 2008.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules show the proposed July 1, 2008 increase to the gas cost recovery charge component of rates. The Terasen Gas Fort Nelson rate change, effective July 1, 2008, would increase the annual bill by approximately \$270 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 July 1, 2008, a gas cost recovery charge rate increase of \$1.689/GJ. The gas cost recovery charge component of rates would increase from \$8.462/GJ to \$10.151/GJ, effective July 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 gas contracting is not impaired.

Terasen Gas Fort Nelson will continue to monitor the forward prices and will report these results in the 2008 Third 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.

Yours very truly,

**TERASEN GAS INC.**

***Original signed:***

Tom A. Loski

Attachments

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM  
 FOR THE PERIOD JULY 1, 2008 TO JUNE 30, 2009  
 WITH EXISTING APRIL 1, 2008 GAS COST RECOVERY RATES  
 (MAY 28, 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	Projected grossed-up GCRA Balance as at June 30, 2008			\$ 355.0	
3	(Page 2.0, Line 34, Col 2 after tax amount grossed up using 31.0% tax rate)				
4					
5	Forecast Incurred Gas Costs - July 2008 to June 2009 (Page 2.1, Line 20, Col 14)			\$ 5,646.7	
6					
7	Forecast Recovered Gas Costs - July 2008 to June 2009 (Page 2.1, Line 10, Col 14)			\$ 5,003.0	
8					
9					
10	Forecast Recovered Gas Costs				
11	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$				<b><u>83.4%</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 June 30, 2008 (Line 3)			\$ 355.0	
21	Forecast GCRA Activities - July 2008 to June 2009 (Line 5 - Line 7)			<u>\$ 643.7</u>	
22	Gas Costs Recovery Under/(Over) at Existing Rates			\$ 998.7	
23					
24	Forecast Annual Sales Volumes - July 2008 to June 2009		591.3		
25	(Page 2.1, Col. 14, Line 2 + Line 3)				
26					
27	Projected 12-month amortization - \$/GJ	\$ 0.600			
28	Forecast GCRA Activities - \$/GJ	<u>\$ 1.089</u>			
29	Applicable Gas Cost Recovery Rate Increase (Decrease)	<u>\$ 1.689</u>			

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD JULY 1, 2008 TO JUNE 30, 2010

Tab 1  
 Page 2.0

WITH EXISTING APRIL 1, 2008 GAS COST RECOVERY RATES  
 (MAY 28, 2008 FORWARD PRICES)

Line No.	Particulars	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	<b>RECOVERED GAS COSTS</b>												
2	Total Sales - TJ	9.8	12.5	20.1	43.9	69.4	87.9	108.5	81.4	76.7	41.5	23.2	15.2
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	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620	\$ 8.4620
7													
8	Recovery on Sales - \$000	\$ 82.9	\$ 105.8	\$ 170.1	\$ 371.5	\$ 587.3	\$ 743.8	\$ 918.1	\$ 688.8	\$ 649.0	\$ 351.2	\$ 196.3	\$ 128.6
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
10	Total Forecast Recovered Gas Costs - \$000	\$ 83.7	\$ 106.6	\$ 170.9	\$ 372.3	\$ 588.1	\$ 744.6	\$ 918.9	\$ 689.6	\$ 649.8	\$ 352.0	\$ 197.1	\$ 129.4
11													
12													
13													
14	<b>INCURRED GAS COSTS</b>												
15	Total Purchases for Sales - TJ	9.9	12.6	20.2	44.2	69.8	88.3	109.0	81.8	77.1	41.7	23.4	15.3
16	- adjusted for Company Use and UAF												
17													
18	Blended Cost - \$/GJ	\$ 8.6023	\$ 8.6487	\$ 8.6722	\$ 8.7316	\$ 9.7918	\$ 9.9271	\$ 10.0116	\$ 9.9947	\$ 9.8951	\$ 8.2378	\$ 8.1476	\$ 8.1867
19													
20	Forecast Incurred Gas Costs - \$000	\$ 85.2	\$ 109.0	\$ 175.2	\$ 385.9	\$ 683.5	\$ 876.6	\$ 1,091.3	\$ 817.6	\$ 762.9	\$ 343.5	\$ 190.7	\$ 125.3
21													
22													
23													
24													
25													
26	<b>GCRA BALANCE</b>												
27	Opening Balance Before Tax	\$ 357.3	\$ 358.8	\$ 361.2	\$ 365.5	\$ 379.1	\$ 474.5	\$ 595.6	\$ 768.0	\$ 896.0	\$ 1,009.1	\$ 1,000.6	\$ 994.2
28	Forecast Activity	1.5	2.4	4.3	13.6	95.4	132.0	172.4	128.0	113.1	(8.5)	(6.4)	(4.1)
29	Closing Balance Before Tax	\$ 358.8	\$ 361.2	\$ 365.5	\$ 379.1	\$ 474.5	\$ 606.5	\$ 768.0	\$ 896.0	\$ 1,009.1	\$ 1,000.6	\$ 994.2	\$ 990.1
30													
31	Tax Rate	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
32	Tax on Activity	0.5	0.7	1.3	4.2	29.6	40.9	51.7	38.4	33.9	(2.6)	(1.9)	(1.2)
33													
34	Opening Balance After Tax	\$ 244.9	\$ 245.9	\$ 247.6	\$ 250.6	\$ 260.0	\$ 325.8	\$ 416.9	\$ 537.6	\$ 627.2	\$ 706.4	\$ 700.5	\$ 696.0
35	Forecast Activity	1.0	1.7	3.0	9.4	65.8	91.1	120.7	89.6	79.2	(6.0)	(4.5)	(2.9)
36	Closing Balance After Tax - \$000	\$ 245.9	\$ 247.6	\$ 250.6	\$ 260.0	\$ 325.8	\$ 416.9	\$ 537.6	\$ 627.2	\$ 706.4	\$ 700.5	\$ 696.0	\$ 693.1

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD JULY 1, 2008 TO JUNE 30, 2010

WITH EXISTING APRIL 1, 2008 GAS COST RECOVERY RATES  
 (MAY 28, 2008 FORWARD PRICES)

Line No.	Particulars	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	12 months	24 months
														Jul08-Jun09 Forecast Total	Jul08-Jun10 Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	<b>RECOVERED GAS COSTS</b>														
2	Total Sales - TJ	9.9	12.6	20.2	44.0	69.9	88.6	109.3	82.0	77.2	41.8	23.4	15.3	590.1	1,184.3
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	\$ 83.8	\$ 106.6	\$ 170.9	\$ 372.3	\$ 591.5	\$ 749.7	\$ 924.9	\$ 693.9	\$ 653.3	\$ 353.7	\$ 198.0	\$ 129.5	\$ 4,993.4	\$ 10,021.5
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	9.6	19.2
10	Total Forecast Recovered Gas Costs - \$000	\$ 84.6	\$ 107.4	\$ 171.7	\$ 373.1	\$ 592.3	\$ 750.5	\$ 925.7	\$ 694.7	\$ 654.1	\$ 354.5	\$ 198.8	\$ 130.3	\$ 5,003.0	\$ 10,040.7
11															
12															
13															
14	<b>INCURRED GAS COSTS</b>														
15	Total Purchases for Sales - TJ	10.0	12.7	20.3	44.3	70.3	89.0	109.8	82.4	77.6	42.0	23.6	15.4	593.3	1,190.7
16	- adjusted for Company Use and UAF														
17															
18	Blended Cost - \$/GJ	\$ 8.2366	\$ 8.2716	\$ 8.2829	\$ 8.3179	\$ 9.1858	\$ 9.3620	\$ 9.3088	\$ 9.4430	\$ 9.3234	\$ 6.5956	\$ 6.5646	\$ 6.6025	\$ 108.8471	\$ 208.3417
19															
20	Forecast Incurred Gas Costs - \$000	\$ 82.4	\$ 105.0	\$ 168.1	\$ 368.5	\$ 645.8	\$ 833.2	\$ 1,022.1	\$ 778.1	\$ 723.5	\$ 277.0	\$ 154.9	\$ 101.7	\$ 5,646.7	\$ 10,907.0
21															
22															
23															
24															
25															
26	<b>GCRA BALANCE</b>														
27	Opening Balance Before Tax	\$ 990.1	\$ 987.9	\$ 985.5	\$ 981.9	\$ 977.3	\$ 1,030.8	\$ 1,097.9	\$ 1,194.3	\$ 1,277.7	\$ 1,347.1	\$ 1,269.6	\$ 1,225.7		
28	Forecast Activity	(2.2)	(2.4)	(3.6)	(4.6)	53.5	82.7	96.4	83.4	69.4	(77.5)	(43.9)	(28.6)		
29	Closing Balance Before Tax	\$ 987.9	\$ 985.5	\$ 981.9	\$ 977.3	\$ 1,030.8	\$ 1,113.5	\$ 1,194.3	\$ 1,277.7	\$ 1,347.1	\$ 1,269.6	\$ 1,225.7	\$ 1,197.1		
30															
31	Tax Rate	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%		
32	Tax on Activity	(0.7)	(0.7)	(1.1)	(1.4)	16.1	24.8	28.0	24.2	20.1	(22.5)	(12.7)	(8.3)		
33															
34	Opening Balance After Tax	\$ 693.1	\$ 691.6	\$ 689.9	\$ 687.4	\$ 684.2	\$ 721.6	\$ 779.5	\$ 847.9	\$ 907.1	\$ 956.4	\$ 901.4	\$ 870.2		
35	Forecast Activity	(1.5)	(1.7)	(2.5)	(3.2)	37.5	57.9	68.4	59.2	49.3	(55.0)	(31.2)	(20.3)		
36	Closing Balance After Tax - \$000	\$ 691.6	\$ 689.9	\$ 687.4	\$ 684.2	\$ 721.6	\$ 779.5	\$ 847.9	\$ 907.1	\$ 956.4	\$ 901.4	\$ 870.2	\$ 849.9		

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

**Tab 1**  
**Page 3**

Fort Nelson Forward Prices - \$/GJ				
Line No.	Particulars	2008 Q2	2008 Q1	Difference
		Gas Cost Report (May 28, 2008 Forward Prices)	Gas Cost Report (February 27, 2008 Forward Prices)	
	(1)	(2)	(3)	(4)=(2)-(3)
1	<b>2007</b>	<b>2007</b>	<b>2007</b>	
2	October	\$ 6.90	\$ 6.90	\$ -
3	November	\$ 7.54	\$ 7.54	\$ -
4	December	\$ 7.78	Recorded \$ 7.78	\$ -
5	Average - Oct -Dec/07	\$ 7.40	\$ 7.40	\$ -
6				
7	<b>2008</b>	<b>2008</b>	<b>2008</b>	
8	January	\$ 7.86	Projected \$ 7.86	\$ -
9	February	\$ 7.98	\$ 7.99	\$ (0.00)
10	March	\$ 8.14	\$ 8.12	\$ 0.02
11	April	Recorded \$ 8.68	\$ 7.35	\$ 1.33
12	May	Projected \$ 9.18	\$ 7.37	\$ 1.81
13	June	\$ 9.15	\$ 7.40	\$ 1.75
14	July	\$ 8.60	\$ 7.45	\$ 1.16
15	August	\$ 8.65	\$ 7.47	\$ 1.18
16	September	\$ 8.67	\$ 7.48	\$ 1.20
17	October	\$ 8.73	\$ 7.51	\$ 1.22
18	November	\$ 9.79	\$ 8.34	\$ 1.45
19	December	\$ 9.93	\$ 8.48	\$ 1.45
20	Average - 2008	\$ 8.78	\$ 7.73	\$ 1.05
21				
22	<b>2009</b>	<b>2009</b>	<b>2009</b>	
23	January	\$ 10.01	\$ 8.58	\$ 1.43
24	February	\$ 9.99	\$ 8.57	\$ 1.42
25	March	\$ 9.90	\$ 8.48	\$ 1.42
26	April	\$ 8.24	\$ 7.08	\$ 1.16
27	May	\$ 8.15	\$ 7.02	\$ 1.13
28	June	\$ 8.19	\$ 7.05	\$ 1.13
29	July	\$ 8.24	\$ 7.09	\$ 1.15
30	August	\$ 8.27	\$ 7.12	\$ 1.15
31	September	\$ 8.28	\$ 7.13	\$ 1.16
32	October	\$ 8.32	\$ 7.17	\$ 1.15
33	November	\$ 9.19	\$ 7.87	\$ 1.31
34	December	\$ 9.36	\$ 8.09	\$ 1.27
35	Average - 2009	\$ 8.84	\$ 7.60	\$ 1.24
36				
37	<b>2010</b>	<b>2010</b>	<b>2010</b>	
38	January	\$ 9.31	\$ 8.16	\$ 1.15
39	February	\$ 9.44	\$ 8.20	\$ 1.24
40	March	\$ 9.32	\$ 8.08	\$ 1.24
41	April	\$ 8.29		
42	May	\$ 8.16		
43	June	\$ 8.22		
44	Average - 2010	\$ 8.79	\$ 8.15	\$ 0.64
45				
46	<b>Comparison of Reporting Period</b>	<b>Jul/08-Jun/09</b>	<b>Apr/08-Mar/09</b>	
47	12-month simple average	\$ 9.07	\$ 7.87	\$ 1.20
48	<b>Comparison of Reporting Period</b>	<b>Jul/08-Jun/10</b>	<b>Apr/08-Mar/10</b>	
49	24-month simple average	\$ 8.89	\$ 7.69	\$ 1.20

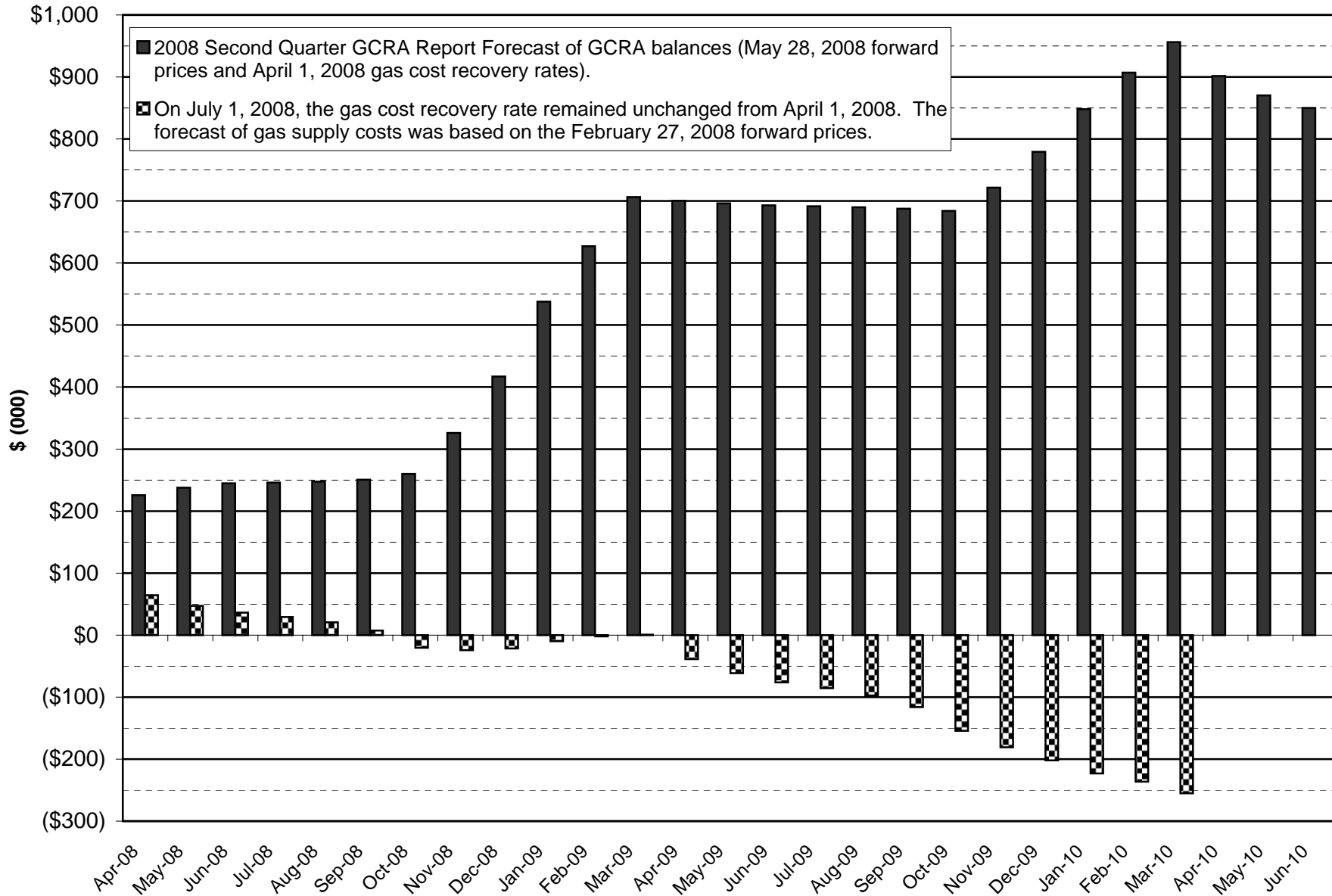
TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GCRA AFTER TAX BALANCES (\$000)  
FOR THE PERIOD ENDING JUNE 2010  
**WITH EXISTING GAS COST RECOVERY RATES**

**Tab 1**  
**Page 4**

Line No.	Particulars	2008 Q2 Gas Cost Report		2008 Q1 Gas Cost Report		
		April 1, 2008 Gas Cost Recovery Rates (May 28, 2008 Forward Prices)		April 1, 2008 Gas Cost Recovery Rates (February 27, 2008 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)	Recorded \$	(185.4)
12		December	Recorded \$	(112.1)	Recorded \$	(112.1)
13	2008	January	Recorded \$	55.1	Projected \$	(36.3)
14		February	Recorded \$	155.9	Projected \$	28.2
15		March	Recorded \$	254.0	\$	95.3
16		April	Recorded \$	225.5	\$	64.2
17		May	Projected \$	237.7	\$	47.3
18		June	\$	244.9	\$	36.2
19		July	\$	245.9	\$	29.4
20		August	\$	247.6	\$	20.8
21		September	\$	250.6	\$	7.2
22		October	\$	260.0	\$	(20.3)
23		November	\$	325.8	\$	(24.3)
24		December	\$	416.9	\$	(21.5)
25	2009	January	\$	537.6	\$	(10.0)
26		February	\$	627.2	\$	(2.0)
27		March	\$	706.4	\$	0.6
28		April	\$	700.5	\$	(38.7)
29		May	\$	696.0	\$	(61.3)
30		June	\$	693.1	\$	(76.1)
31		July	\$	691.6	\$	(85.6)
32		August	\$	689.9	\$	(97.3)
33		September	\$	687.4	\$	(116.0)
34		October	\$	684.2	\$	(154.2)
35		November	\$	721.6	\$	(180.9)
36		December	\$	779.5	\$	(201.9)
37	2010	January	\$	847.9	\$	(223.0)
38		February	\$	907.1	\$	(236.3)
39		March	\$	956.4	\$	(255.1)
40		April	\$	901.4		
41		May	\$	870.2		
42		June	\$	849.9		

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 GCRA AFTER TAX BALANCES BY MONTH  
 FOR THE PERIOD ENDING JUNE 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 JULY 1, 2008 TO JUNE 30, 2010

WITH PROPOSED JULY 1, 2008 GAS COST RECOVERY RATES  
 (MAY 28, 2008 FORWARD PRICES)

Line No.	Particulars	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	<b>RECOVERED GAS COSTS</b>												
2	Total Sales - TJ	9.8	12.5	20.1	43.9	69.4	87.9	108.5	81.4	76.7	41.5	23.2	15.2
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	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510
7													
8	Recovery on Sales - \$000	\$ 99.5	\$ 126.9	\$ 204.0	\$ 445.6	\$ 704.5	\$ 892.3	\$ 1,101.4	\$ 826.3	\$ 778.6	\$ 421.3	\$ 235.5	\$ 154.3
9	Recovery on T-Service UAF - \$000	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
10	Total Forecast Recovered Gas Costs - \$000	\$ 100.5	\$ 127.9	\$ 205.0	\$ 446.6	\$ 705.5	\$ 893.3	\$ 1,102.4	\$ 827.3	\$ 779.6	\$ 422.3	\$ 236.5	\$ 155.3
11													
12													
13													
14	<b>INCURRED GAS COSTS</b>												
15	Total Purchases for Sales - TJ	9.9	12.6	20.2	44.2	69.8	88.3	109.0	81.8	77.1	41.7	23.4	15.3
16	- adjusted for Company Use and UAF												
17													
18	Blended Cost - \$/GJ	\$ 8.6023	\$ 8.6487	\$ 8.6722	\$ 8.7316	\$ 9.7918	\$ 9.9271	\$ 10.0116	\$ 9.9947	\$ 9.8951	\$ 8.2378	\$ 8.1476	\$ 8.1867
19													
20	Forecast Incurred Gas Costs - \$000	\$ 85.2	\$ 109.0	\$ 175.2	\$ 385.9	\$ 683.5	\$ 876.6	\$ 1,091.3	\$ 817.6	\$ 762.9	\$ 343.5	\$ 190.7	\$ 125.3
21													
22													
23													
24													
25													
26	<b>GCRA BALANCE</b>												
27	Opening Balance Before Tax	\$ 357.3	\$ 342.0	\$ 323.1	\$ 293.3	\$ 232.6	\$ 210.6	\$ 188.8	\$ 177.7	\$ 168.0	\$ 151.3	\$ 72.5	\$ 26.7
28	Forecast Activity	(15.3)	(18.9)	(29.8)	(60.7)	(22.0)	(16.7)	(11.1)	(9.7)	(16.7)	(78.8)	(45.8)	(30.0)
29	Closing Balance Before Tax	\$ 342.0	\$ 323.1	\$ 293.3	\$ 232.6	\$ 210.6	\$ 193.9	\$ 177.7	\$ 168.0	\$ 151.3	\$ 72.5	\$ 26.7	\$ (3.3)
30													
31	Tax Rate	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
32	Tax on Activity	(4.7)	(5.9)	(9.2)	(18.8)	(6.8)	(5.2)	(3.3)	(2.9)	(5.0)	(23.6)	(13.7)	(9.0)
33													
34	Opening Balance After Tax	\$ 244.9	\$ 234.3	\$ 221.3	\$ 200.7	\$ 158.8	\$ 143.6	\$ 132.1	\$ 124.3	\$ 117.5	\$ 105.8	\$ 50.6	\$ 18.5
35	Forecast Activity	(10.6)	(13.0)	(20.6)	(41.9)	(15.2)	(11.5)	(7.8)	(6.8)	(11.7)	(55.2)	(32.1)	(21.0)
36	Closing Balance After Tax - \$000	\$ 234.3	\$ 221.3	\$ 200.7	\$ 158.8	\$ 143.6	\$ 132.1	\$ 124.3	\$ 117.5	\$ 105.8	\$ 50.6	\$ 18.5	\$ (2.5)

WITH PROPOSED JULY 1, 2008 GAS COST RECOVERY RATES  
 (MAY 28, 2008 FORWARD PRICES)

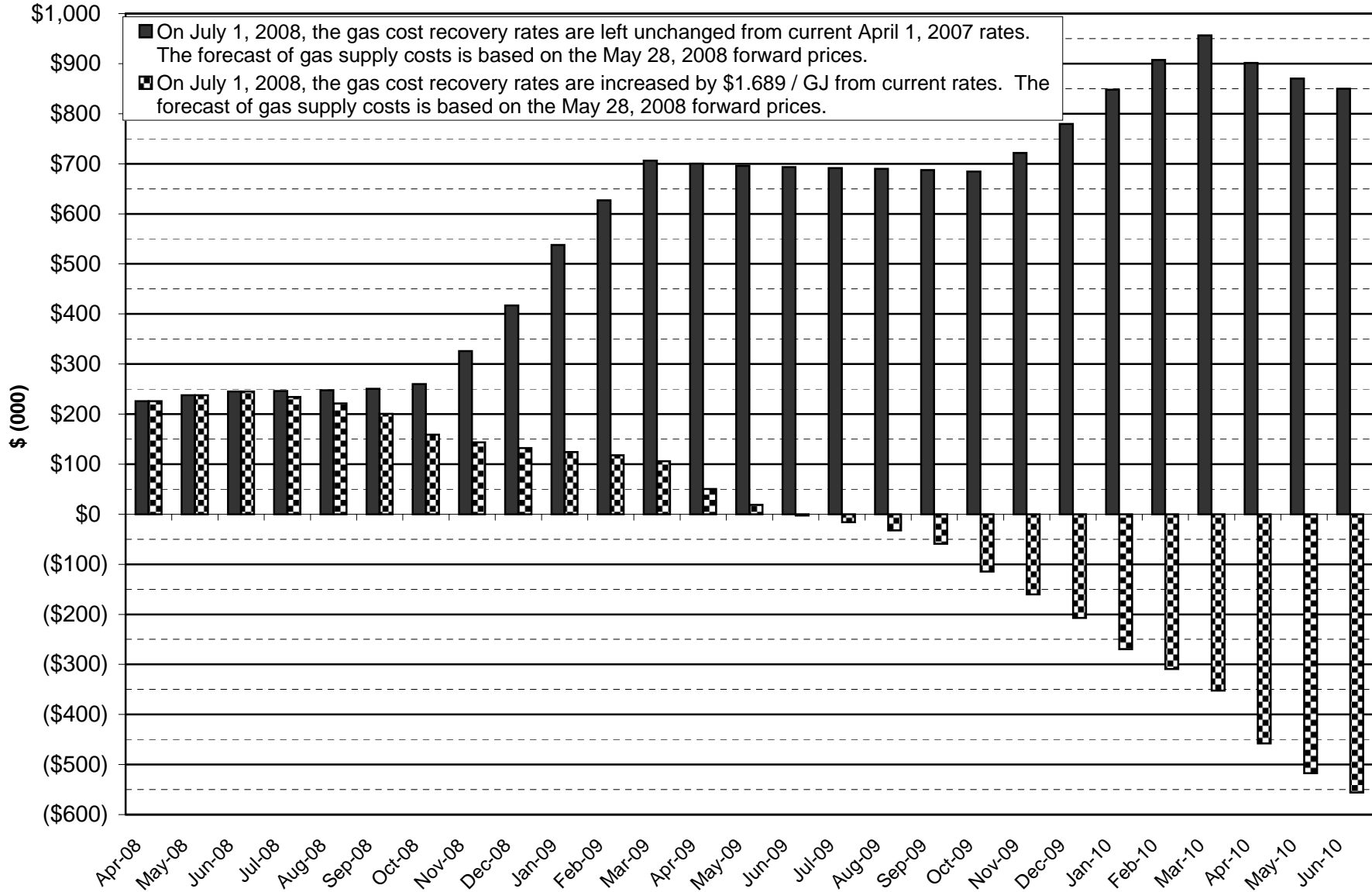
Line No.	Particulars	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	12 months	24 months
														Forecast Total	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>1 RECOVERED GAS COSTS</b>															
2 Total Sales - TJ		9.9	12.6	20.2	44.0	69.9	88.6	109.3	82.0	77.2	41.8	23.4	15.3	590.1	1,184.3
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		\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510		
6 Recovery Unit Cost on T-Service UAF - \$/GJ		\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510	\$ 10.1510		
7															
8 Recovery on Sales - \$000		\$ 100.5	\$ 127.9	\$ 205.1	\$ 446.6	\$ 709.6	\$ 899.4	\$ 1,109.5	\$ 832.4	\$ 783.7	\$ 424.3	\$ 237.5	\$ 155.3	\$ 5,990.2	\$ 12,022.0
9 Recovery on T-Service UAF - \$000		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	12.0	24.0
10 Total Forecast Recovered Gas Costs - \$000		\$ 101.5	\$ 128.9	\$ 206.1	\$ 447.6	\$ 710.6	\$ 900.4	\$ 1,110.5	\$ 833.4	\$ 784.7	\$ 425.3	\$ 238.5	\$ 156.3	\$ 6,002.2	\$ 12,046.0
11															
12															
13															
<b>14 INCURRED GAS COSTS</b>															
15 Total Purchases for Sales - TJ		10.0	12.7	20.3	44.3	70.3	89.0	109.8	82.4	77.6	42.0	23.6	15.4	593.3	1,190.7
16 - adjusted for Company Use and UAF															
17															
18 Blended Cost - \$/GJ		\$ 8.2366	\$ 8.2716	\$ 8.2829	\$ 8.3179	\$ 9.1858	\$ 9.3620	\$ 9.3088	\$ 9.4430	\$ 9.3234	\$ 6.5956	\$ 6.5646	\$ 6.6025	\$ 108.8	\$ 208.3
19															
20 Forecast Incurred Gas Costs - \$000		\$ 82.4	\$ 105.0	\$ 168.1	\$ 368.5	\$ 645.8	\$ 833.2	\$ 1,022.1	\$ 778.1	\$ 723.5	\$ 277.0	\$ 154.9	\$ 101.7	\$ 5,646.7	\$ 10,907.0
21															
22															
23															
24															
25															
<b>26 GCRA BALANCE</b>															
27 Opening Balance Before Tax		\$ (3.3)	\$ (22.4)	\$ (46.3)	\$ (84.3)	\$ (163.4)	\$ (228.2)	\$ (291.5)	\$ (379.9)	\$ (435.2)	\$ (496.4)	\$ (644.7)	\$ (728.3)		
28 Forecast Activity		(19.1)	(23.9)	(38.0)	(79.1)	(64.8)	(67.2)	(88.4)	(55.3)	(61.2)	(148.3)	(83.6)	(54.6)		
29 Closing Balance Before Tax		\$ (22.4)	\$ (46.3)	\$ (84.3)	\$ (163.4)	\$ (228.2)	\$ (295.4)	\$ (379.9)	\$ (435.2)	\$ (496.4)	\$ (644.7)	\$ (728.3)	\$ (782.9)		
30															
31 Tax Rate		30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%		
32 Tax on Activity		(5.7)	(7.2)	(11.4)	(23.7)	(19.4)	(20.2)	(25.6)	(16.0)	(17.7)	(43.0)	(24.2)	(15.8)		
33															
34 Opening Balance After Tax		\$ (2.5)	\$ (15.9)	\$ (32.6)	\$ (59.2)	\$ (114.6)	\$ (160.0)	\$ (207.0)	\$ (269.8)	\$ (309.1)	\$ (352.6)	\$ (457.9)	\$ (517.3)		
35 Forecast Activity		(13.4)	(16.7)	(26.6)	(55.4)	(45.4)	(47.0)	(62.8)	(39.3)	(43.5)	(105.3)	(59.4)	(38.8)		
36 Closing Balance After Tax - \$000		\$ (15.9)	\$ (32.6)	\$ (59.2)	\$ (114.6)	\$ (160.0)	\$ (207.0)	\$ (269.8)	\$ (309.1)	\$ (352.6)	\$ (457.9)	\$ (517.3)	\$ (556.1)		

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

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

Line No.	Particulars	2008 Q2 Gas Cost Report		2008 Q1 Gas Cost Report	
		Proposed July 1, 2008 Rates (May 28, 2008 Forward Prices)		April 1, 2008 Gas Cost Recovery Rates (May 28, 2008 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)	Recorded \$ (185.4)	
12		December	Recorded \$ (112.1)	Recorded \$ (112.1)	
13	2008	January	Recorded \$ 55.1	Recorded \$ 55.1	
14		February	Recorded \$ 155.9	Recorded \$ 155.9	
15		March	Recorded \$ 254.0	Recorded \$ 254.0	
16		April	Recorded \$ 225.5	Recorded \$ 225.5	
17		May	Projected \$ 237.7	Projected \$ 237.7	
18		June	\$ 244.9	\$ 244.9	
19		July	\$ 234.3	\$ 245.9	
20		August	\$ 221.3	\$ 247.6	
21		September	\$ 200.7	\$ 250.6	
22		October	\$ 158.8	\$ 260.0	
23		November	\$ 143.6	\$ 325.8	
24		December	\$ 132.1	\$ 416.9	
25	2009	January	\$ 124.3	\$ 537.6	
26		February	\$ 117.5	\$ 627.2	
27		March	\$ 105.8	\$ 706.4	
28		April	\$ 50.6	\$ 700.5	
29		May	\$ 18.5	\$ 696.0	
30		June	\$ (2.5)	\$ 693.1	
31		July	\$ (15.9)	\$ 691.6	
32		August	\$ (32.6)	\$ 689.9	
33		September	\$ (59.2)	\$ 687.4	
34		October	\$ (114.6)	\$ 684.2	
35		November	\$ (160.0)	\$ 721.6	
36		December	\$ (207.0)	\$ 779.5	
37	2010	January	\$ (269.8)	\$ 847.9	
38		February	\$ (309.1)	\$ 907.1	
39		March	\$ (352.6)	\$ 956.4	
40		April	\$ (457.9)	\$ 901.4	
41		May	\$ (517.3)	\$ 870.2	
42		June	\$ (556.1)	\$ 849.9	

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 GCRA AFTER TAX BALANCES BY MONTH  
 FOR THE PERIOD ENDING JULY 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  
 PROPOSED JULY 1, 2008  
 BCUC ORDER No. G-xx-08

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	Apr. 1, 2008 Existing Rates (4)	Gas Cost Changes (5)	July 1, 2008 Proposed Rates (6)
1	Rate 1	No. 1	<b><u>Option A</u></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	\$5.33	\$0.00	\$5.33
10			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.10)	\$0.00	(\$0.10)
11			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
12			Gas Cost Recovery Charge per Month	\$16.93	\$3.38	\$20.31
13			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$22.39</b>	<b>\$3.38</b>	<b>\$25.77</b>
14						
15			Delivery Charge per GJ	\$1.489	\$0.000	\$1.489
16			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
17			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
18			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
19			<b>Next 28 Gigajoules in any month</b>	<b>\$10.017</b>	<b>\$1.689</b>	<b>\$11.706</b>
20						
21			Delivery Charge per GJ	\$1.446	\$0.000	\$1.446
22			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
23			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
24			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
25			<b>Excess of 30 Gigajoules in any month</b>	<b>\$9.974</b>	<b>\$1.689</b>	<b>\$11.663</b>
26						
27						
28	Rate 1	No. 1.1	<b><u>Option B</u></b>			
29						
30			Delivery Charge per Month	\$5.33	\$0.00	\$5.33
31			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.10)	\$0.00	(\$0.10)
32			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
33			Gas Cost Recovery Charge per Month	\$16.93	\$3.38	\$20.31
34			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$22.39</b>	<b>\$3.38</b>	<b>\$25.77</b>
35						
36			Delivery Charge per GJ	\$1.489	\$0.000	\$1.489
37			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
38			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
39			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
40			<b>Next 28 Gigajoules in any month</b>	<b>\$10.017</b>	<b>\$1.689</b>	<b>\$11.706</b>
41						
42			Delivery Charge per GJ	\$1.446	\$0.000	\$1.446
43			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
44			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
45			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
46			<b>Excess of 30 Gigajoules in any month</b>	<b>\$9.974</b>	<b>\$1.689</b>	<b>\$11.663</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  
 PROPOSED JULY 1, 2008  
 BCUC ORDER No. G-xx-08

Line No.	Schedule	Tariff Page	Particulars	Apr. 1, 2008 Existing Rates	Gas Cost Changes	July 1, 2008 Proposed Rates
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$16.27	\$0.00	\$16.27
2			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.13)	\$0.00	(\$0.13)
3			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
4			Gas Cost Recovery Charge per Month	\$16.93	\$3.38	\$20.31
5			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$33.30</b>	<b>\$3.38</b>	<b>\$36.68</b>
6						
7			Delivery Charge per GJ	\$1.664	\$0.000	\$1.664
8			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
9			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
10			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
11			<b>Next 298 Gigajoules in any month</b>	<b>\$10.176</b>	<b>\$1.689</b>	<b>\$11.865</b>
12						
13			Delivery Charge per GJ	\$1.612	\$0.000	\$1.612
14			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
15			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
16			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
17			<b>Excess of 300 Gigajoules in any month</b>	<b>\$10.124</b>	<b>\$1.689</b>	<b>\$11.813</b>
18						
19	Rate 2.2	No. 2	Delivery Charge per Month	\$16.27	\$0.00	\$16.27
20			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.13)	\$0.00	(\$0.13)
21			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
22			Gas Cost Recovery Charge per Month	\$16.93	\$3.38	\$20.31
23			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$33.30</b>	<b>\$3.38</b>	<b>\$36.68</b>
24						
25			Delivery Charge per GJ	\$1.664	\$0.000	\$1.664
26			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
27			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
28			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
29			<b>Next 298 Gigajoules in any month</b>	<b>\$10.176</b>	<b>\$1.689</b>	<b>\$11.865</b>
30						
31			Delivery Charge per GJ	\$1.612	\$0.000	\$1.612
32			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
33			Revenue Stabilization Adjustment Amount per GJ	0.116	\$0.000	\$0.116
34			Gas Cost Recovery Charge per GJ	8.462	\$1.689	10.151
35			<b>Excess of 300 Gigajoules in any month</b>	<b>\$10.124</b>	<b>\$1.689</b>	<b>\$11.813</b>
36						
37	Rate 2.3	No. 2.1	Delivery Charge per Month	\$16.54	\$0.00	\$16.54
38			Gas Cost Recovery Charge per Month	\$16.93	\$3.38	\$20.31
39			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$33.47</b>	<b>\$3.38</b>	<b>\$36.85</b>
40						
41			Delivery Charge per GJ	\$2.033	\$0.000	\$2.033
42			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
43			<b>Next 298 Gigajoules in any month</b>	<b>\$10.495</b>	<b>\$1.689</b>	<b>\$12.184</b>
44						
45			Delivery Charge per GJ	\$1.981	\$0.000	\$1.981
46			Gas Cost Recovery Charge per GJ	\$8.462	\$1.689	\$10.151
47			<b>Excess of 300 Gigajoules in any month</b>	<b>\$10.443</b>	<b>\$1.689</b>	<b>\$12.132</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  
 PROPOSED JULY 1, 2008  
 BCUC ORDER No. G-xx-08

Tab 3  
Page 3

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	Apr. 1, 2008 Existing Rates (4)	Gas Cost Changes (5)	July 1, 2008 Proposed Rates (6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
4			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
5			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
6						
7			Revenue Stabilization Adjustment Amount per GJ	0.116	\$0.000	\$0.116
8			Gas Cost Recovery Charge per Gigajoule	\$8.462	\$1.689	\$10.151
9						
10			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
16			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
17			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
18						
19			Revenue Stabilization Adjustment Amount per GJ	0.116	\$0.000	\$0.116
20			Gas Cost Recovery Charge per Gigajoule	\$8.462	\$1.689	\$10.151
21						
22			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
28			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
29			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
30						
31			Revenue Stabilization Adjustment Amount per GJ	0.116	\$0.000	\$0.116
32			Gas Cost Recovery Charge per Gigajoule	\$8.462	\$1.689	\$10.151
33						
34			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00

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

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

Line No.	Existing April 1, 2008 Rates			Proposed July 1, 2008 Rates			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	\$5.33	\$63.96	12 months x	\$5.33	\$63.96	\$0.00	\$0.00	0.00%	
5	12 months x	(0.10)	(1.20)	12 months x	(0.10)	(1.20)	0.00	0.00	0.00%	
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	16.93	203.16	12 months x	20.31	243.72	3.38	40.56	2.49%	
8		\$22.39	\$268.68		\$25.77	\$309.24	\$3.38	\$40.56	2.49%	
9										
10	<u>Next 28 Gigajoules in any month</u>									
11	136 GJ x	\$1.489	\$202.50	136 GJ x	\$1.489	\$202.50	\$0.000	\$0.00	0.00%	
12	136 GJ x	(0.050)	(6.80)	136 GJ x	(0.050)	(6.80)	0.000	0.00	0.00%	
13	136 GJ x	0.116	15.78	136 GJ x	0.116	15.78	0.000	0.00	0.00%	
14	136 GJ x	8.462	1,150.83	136 GJ x	10.151	1,380.53	1.689	229.70	14.08%	
15		\$10.017	\$1,362.31		\$11.706	\$1,592.01	\$1.689	\$229.70	14.08%	
16										
17	<u>Excess of 30 Gigajoules in any month</u>									
18	0 GJ x	\$1.446	\$0.00	0 GJ x	\$1.446	\$0.00	\$0.000	\$0.00	0.00%	
19	0 GJ x	(0.050)	0.00	0 GJ x	(0.050)	0.00	0.000	0.00	0.00%	
20	0 GJ x	0.116	0.00	0 GJ x	0.116	0.00	0.000	0.00	0.00%	
21	0 GJ x	8.462	0.00	0 GJ x	10.151	0.00	1.689	0.00	0.00%	
22		\$9.974	\$0.00		\$11.663	\$0.00	\$1.689	\$0.00	0.00%	
23										
24	<b>Total</b>	<b>160 GJ x</b>	<b>\$10.194</b>	<b>\$1,630.99</b>	<b>160 GJ x</b>	<b>\$11.883</b>	<b>\$1,901.25</b>	<b>\$1.689</b>	<b>\$270.26</b>	<b>16.57%</b>
25										
26										
27	<u>Summary of Annual Delivery and Commodity Charges</u>									
28	160 GJ x	\$1.731	\$277.00	160 GJ x	\$1.731	\$277.00	\$0.000	\$0.00	0.00%	
29	160 GJ x	\$8.462	\$1,353.99	160 GJ x	\$10.152	\$1,624.25	\$1.689	\$270.26	16.57%	
30	<b>Total</b>	<b>160 GJ x</b>	<b>\$10.194</b>	<b>\$1,630.99</b>	<b>160 GJ x</b>	<b>\$11.883</b>	<b>\$1,901.25</b>	<b>\$1.689</b>	<b>\$270.26</b>	<b>16.57%</b>



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

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing April 1, 2008 Rates			Proposed July 1, 2008 Rates			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	\$16.27 =	\$195.24	12 months x	\$16.27 =	\$195.24	\$0.00	\$0.00	0.00%	
5	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per month	(0.13) =	(1.56)	12 months x	(0.13) =	(1.56)	0.00	0.00	0.00%	
6	Rider 5 - RSAM per month	0.23 =	2.76	12 months x	0.23 =	2.76	0.00	0.00	0.00%	
7	Gas Cost Recovery Charge per month	16.93 =	203.16	12 months x	20.31 =	243.72	3.38	40.56	0.71%	
8	Minimum Monthly Charge (includes the first 2 gigajoules)	\$33.30	\$399.60		\$36.68	\$440.16	\$3.38	\$40.56	0.71%	
9										
10	<u>Next 298 Gigajoules in any month</u>									
11	526 GJ x	\$1.664 =	\$875.26	526 GJ x	\$1.664 =	\$875.26	\$0.000	\$0.00	0.00%	
12	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	(0.066) =	(34.72)	526 GJ x	(0.066) =	(34.72)	0.000	0.00	0.00%	
13	Rider 5 - RSAM per GJ	0.116 =	61.02	526 GJ x	0.116 =	61.02	0.000	0.00	0.00%	
14	Gas Cost Recovery Charge per GJ	8.462 =	4,451.01	526 GJ x	10.151 =	5,339.40	1.689	888.39	15.44%	
15	Total Charges per GJ	\$10.176	\$5,352.57		\$11.865	\$6,240.96	\$1.689	\$888.39	15.44%	
16										
17	<u>Excess of 300 Gigajoules in any month</u>									
18	0 GJ x	\$1.612 =	\$0.00	0 GJ x	\$1.612 =	\$0.00	\$0.000	\$0.00	0.00%	
19	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	(0.066) =	0.00	0 GJ x	(0.066) =	0.00	0.000	0.00	0.00%	
20	Rider 5 - RSAM per GJ	0.116 =	0.00	0 GJ x	0.116 =	0.00	0.000	0.00	0.00%	
21	Gas Cost Recovery Charge per GJ	8.462 =	0.00	0 GJ x	10.151 =	0.00	1.689	0.00	0.00%	
22	Total Charges per GJ	\$10.124	\$0.00		\$11.813	\$0.00	\$1.689	\$0.00	0.00%	
23										
24	Total	550 GJ x	\$10.458	\$5,752.17	550 GJ x	\$12.147	\$6,681.12	\$1.689	\$928.95	16.15%
25										
26	<u>Summary of Annual Delivery and Commodity Charges</u>									
27	550 GJ x	\$1.996 =	\$1,098.00	550 GJ x	\$1.996 =	\$1,098.00	\$0.000	\$0.00	0.00%	
28	550 GJ x	\$8.462 =	\$4,654.17	550 GJ x	\$10.151 =	\$5,583.12	\$1.689	\$928.95	16.15%	
29	Total	550 GJ x	\$10.458	\$5,752.17	550 GJ x	\$12.147	\$6,681.12	\$1.689	\$928.95	16.15%
30										

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

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing April 1, 2008 Rates						Proposed July 1, 2008 Rates			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		\$16.27	=	\$195.24		12 months x	\$16.27	=	\$195.24	\$0.00	\$0.00	0.00%	
5	12 months x		(0.13)	=	(1.56)		12 months x	(0.13)	=	(1.56)	0.00	0.00	0.00%	
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		16.93	=	203.16		12 months x	20.31	=	243.72	3.38	40.56	0.12%	
8			<u>\$33.30</u>		<u>\$399.60</u>			<u>\$36.68</u>		<u>\$440.16</u>	<u>\$3.38</u>	<u>\$40.56</u>	<u>0.12%</u>	
9														
10	<u>Next 298 Gigajoules in any month</u>													
11	3,326	GJ x	\$1.664	=	\$5,534.46		3,326	GJ x	\$1.664	=	\$5,534.46	\$0.000	\$0.00	0.00%
12	3,326	GJ x	(0.066)	=	(219.52)		3,326	GJ x	(0.066)	=	(219.52)	0.000	0.00	0.00%
13	3,326	GJ x	0.116	=	385.82		3,326	GJ x	0.116	=	385.82	0.000	0.00	0.00%
14	3,326	GJ x	8.462	=	28,144.61		3,326	GJ x	10.151	=	33,762.06	1.689	5,617.45	16.40%
15			<u>\$10.176</u>		<u>\$33,845.37</u>			<u>\$11.865</u>		<u>\$39,462.82</u>	<u>\$1.689</u>	<u>\$5,617.45</u>	<u>16.40%</u>	
16														
17	<u>Excess of 300 Gigajoules in any month</u>													
18	0	GJ x	\$1.612	=	\$0.00		0	GJ x	\$1.612	=	\$0.00	\$0.000	\$0.00	0.00%
19	0	GJ x	(0.066)	=	0.00		0	GJ x	(0.066)	=	0.00	0.000	0.00	0.00%
20	0	GJ x	0.116	=	0.00		0	GJ x	0.116	=	0.00	0.000	0.00	0.00%
21	0	GJ x	8.462	=	0.00		0	GJ x	10.151	=	0.00	1.689	0.00	0.00%
22			<u>\$10.124</u>		<u>\$0.00</u>			<u>\$11.813</u>		<u>\$0.00</u>	<u>\$1.689</u>	<u>\$0.00</u>	<u>0.00%</u>	
23														
24	Total		<u>3,350</u>	GJ x	<u>\$10.222</u>		<u>3,350</u>	GJ x	<u>\$11.911</u>		<u>\$39,902.98</u>	<u>\$1.689</u>	<u>\$5,658.01</u>	<u>16.52%</u>
25														
26	<u>Summary of Annual Delivery and Commodity Charges</u>													
27	3,350	GJ x	\$1.760	=	\$5,897.20		3,350	GJ x	\$1.760	=	\$5,897.20	\$0.000	\$0.00	0.00%
28	3,350	GJ x	\$8.462	=	\$28,347.77		3,350	GJ x	\$10.151	=	\$34,005.78	\$1.689	\$5,658.01	16.52%
29	Total		<u>3,350</u>	GJ x	<u>\$10.222</u>		<u>3,350</u>	GJ x	<u>\$11.911</u>		<u>\$39,902.98</u>	<u>\$1.689</u>	<u>\$5,658.01</u>	<u>16.52%</u>