



**Tom A. Loski**  
Chief Regulatory Officer

16705 Fraser Highway  
Surrey, B.C. V4N 0E8  
Tel: (604) 592-7464  
Cell: (604) 250-2722  
Fax: (604) 576-7074  
Email: [tom.loski@terasengas.com](mailto:tom.loski@terasengas.com)  
[www.terasengas.com](http://www.terasengas.com)

September 4, 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 (“TG Fort Nelson”)  
Gas Cost Reconciliation Account (“GCRA”) and  
2008 Third Quarter Gas Cost Report**

---

The attached materials provide the TG Fort Nelson 2008 Third Quarter Gas Cost Report as required under British Columbia Utilities Commission (the “Commission”) guidelines.

Based on the forward prices as at August 27, 2008, the September 30, 2008 GCRA deferral balance is projected to be approximately \$20,100 surplus (after tax) (Tab 1, Page 2.0, Column 2, Line 34). Further, based on the August 27, 2008 forward prices, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending September 30, 2009, and accounting for the projected September 30, 2008 deferral balance, the GCRA ratio is calculated to be 120.5% (Tab 1, Page 1, Column 3, Line 10). 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 decrease, effective October 1, 2008, of \$1.726/GJ would be required to eliminate the forecast over-recovery of the 12-month forward gas purchase costs and to amortize the projected September 30, 2008 deferral balance. A summary, including a component breakdown, of the \$1.726/GJ decrease Terasen Gas Inc. (“Terasen Gas”) is requesting for TG Fort Nelson effective October 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 October 1, 2008.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules show the proposed October 1, 2008 decrease of the gas cost recovery charge component of rates. The TG Fort Nelson rate change, effective October 1, 2008, would decrease the annual bill by approximately \$276 or 14.5%, for a Fort Nelson residential customer with an average annual consumption of 160 GJ.

In summary, Terasen Gas hereby requests Commission approval to flow through in customers' rates, effective October 1, 2008, a TG Fort Nelson gas cost recovery charge rate decrease of \$1.726/GJ. The gas cost recovery charge component of rates would decrease from \$10.151/GJ to \$8.425/GJ, effective October 1, 2008.

Provided in Tab 5 are the details of the forecast gas costs for TG Fort Nelson. Terasen Gas 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' 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 will continue to monitor the forward prices and will report these results in the TG Fort Nelson 2008 Fourth 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 OCTOBER 1, 2008 TO SEPTEMBER 30, 2009  
 WITH EXISTING JULY 1, 2008 GAS COST RECOVERY RATES  
**(AUGUST 27, 2008 FORWARD PRICES)**

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<b><u>RATE CHANGE TRIGGER MECHANISM</u></b>				
2	Projected grossed-up GCRA Balance as at September 30, 2008	\$ (29.2)			
3	(Page 2.0, Line 34, Col 2 after tax amount grossed up using 31.0% tax rate)				
4					
5	Forecast Incurred Gas Costs - October 2008 to September 2009 (Page 2.0, Line 20, Col 14)	\$ 4,746.8			
6					
7	Forecast Recovered Gas Costs - October 2008 to September 2009 (Page 2.0, Line 10, Col 14)	\$ 5,684.6			
8					
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	= \$ 5,684.6	=		
11		= \$ 4,717.6	=	<b><u>120.5%</u></b>	
12					
13					
14					
15					
16	<b><u>BALANCING REQUIREMENT</u></b>				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband)				
18					
19	Forecast 12 Month Recovery Volumes - October 2008 to September 2009			560.1	
20	(Page 2.0, Col. 14, Line 2 + Line 3)				
21					
22	Projected 12-Month Amortization of GCRA as at September 30, 2008 (Line 2)	\$ (29.2)			\$ (0.052)
23	Forecast GCRA Activities - October 2008 to September 2009 (Line 5 - Line 7)	<u>(937.8)</u>			\$ (1.674)
24	(Over) / Under Recovery at Existing Rates	\$ (967.0)			
25					
26	Applicable Gas Cost Recovery at Existing Rates (Decrease) / Increase				<u><u>\$ (1.726)</u></u>

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

Tab 1  
 Page 2.0

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

Line No.	Particulars													12 months
		Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct08-Sep09 Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	42.4	67.9	84.5	101.8	76.3	71.8	38.9	21.7	14.1	9.2	11.7	18.8	559.1
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	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.868	\$ 6.868	\$ 6.868	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
7														
8	Recovery on Sales - \$000	\$ 430.4	\$ 689.3	\$ 857.8	\$ 1,033.4	\$ 774.5	\$ 728.8	\$ 394.9	\$ 220.3	\$ 143.1	\$ 93.4	\$ 118.8	\$ 190.8	\$ 5,675.5
9	Recovery on T-Service UAF - \$000	0.7	0.7	0.7	1.0	1.0	1.0	1.0	1.0	1.0	-	-	1.0	9.1
10	Total Forecast Recovered Gas Costs - \$000	\$ 431.1	\$ 690.0	\$ 858.5	\$ 1,034.4	\$ 775.5	\$ 729.8	\$ 395.9	\$ 221.3	\$ 144.1	\$ 93.4	\$ 118.8	\$ 191.8	\$ 5,684.6
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases Incl. Company Use and UAF - TJ	42.7	68.3	84.9	102.3	76.7	72.2	39.1	21.9	14.2	9.3	11.8	18.9	563.5
16														
17														
18	Blended Cost - \$/GJ	\$ 6.9614	\$ 8.6636	\$ 8.8402	\$ 8.9184	\$ 8.9486	\$ 8.8860	\$ 7.4656	\$ 7.4639	\$ 7.5173	\$ 7.5796	\$ 7.6219	\$ 7.6385	\$ 96.3536
19														
20	Forecast Incurred Gas Costs - \$000	\$ 297.3	\$ 591.7	\$ 750.5	\$ 912.4	\$ 686.4	\$ 641.6	\$ 291.9	\$ 163.5	\$ 106.7	\$ 70.5	\$ 89.9	\$ 144.4	\$ 4,746.8
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balance Before Tax	\$ (29.1)	\$ (162.9)	\$ (261.2)	\$ (367.3)	\$ (489.3)	\$ (578.4)	\$ (666.6)	\$ (770.6)	\$ (828.4)	\$ (865.8)	\$ (888.7)	\$ (917.6)	
28	Forecast Activity	(133.8)	(98.3)	(108.0)	(122.0)	(89.1)	(88.2)	(104.0)	(57.8)	(37.4)	(22.9)	(28.9)	(47.4)	
29	Closing Balance Before Tax	\$ (162.9)	\$ (261.2)	\$ (369.2)	\$ (489.3)	\$ (578.4)	\$ (666.6)	\$ (770.6)	\$ (828.4)	\$ (865.8)	\$ (888.7)	\$ (917.6)	\$ (965.0)	
30														
31	Tax Rate	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
32	Tax on Activity	(41.5)	(30.5)	(33.5)	(36.6)	(26.7)	(26.5)	(31.2)	(17.3)	(11.2)	(6.9)	(8.7)	(14.2)	
33														
34	Opening Balance After Tax	\$ (20.1)	\$ (112.4)	\$ (180.2)	\$ (257.1)	\$ (342.5)	\$ (404.9)	\$ (466.6)	\$ (539.4)	\$ (579.9)	\$ (606.1)	\$ (622.1)	\$ (642.3)	
35	Forecast Activity	(92.3)	(67.8)	(74.5)	(85.4)	(62.4)	(61.7)	(72.8)	(40.5)	(26.2)	(16.0)	(20.2)	(33.2)	
36	Closing Balance After Tax - \$000	\$ (112.4)	\$ (180.2)	\$ (254.7)	\$ (342.5)	\$ (404.9)	\$ (466.6)	\$ (539.4)	\$ (579.9)	\$ (606.1)	\$ (622.1)	\$ (642.3)	\$ (675.5)	

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

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

Line No.	Particulars	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	12 months Oct09-Sep10 Forecast Total
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	41.2	65.3	82.9	101.3	75.9	71.5	38.6	21.6	14.1	9.1	11.6	18.6	551.7
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	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
7														
8	Recovery on Sales - \$000	\$ 418.2	\$ 662.9	\$ 841.5	\$ 1,028.3	\$ 770.5	\$ 725.8	\$ 391.8	\$ 219.3	\$ 143.1	\$ 92.4	\$ 117.8	\$ 188.8	\$ 5,600.4
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	10.0
10	Total Forecast Recovered Gas Costs - \$000	\$ 419.2	\$ 663.9	\$ 842.5	\$ 1,029.3	\$ 771.5	\$ 726.8	\$ 392.8	\$ 220.3	\$ 144.1	\$ 92.4	\$ 117.8	\$ 189.8	\$ 5,610.4
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases Incl. Company Use and UAF - TJ	41.4	65.6	83.3	101.8	76.3	71.9	38.8	21.8	14.2	9.2	11.7	18.7	554.7
16														
17														
18	Blended Cost - \$/GJ	\$ 7.6848	\$ 8.5841	\$ 8.7392	\$ 8.7566	\$ 8.8295	\$ 8.7138	\$ 7.8562	\$ 7.7807	\$ 7.8403	\$ 7.9078	\$ 7.9633	\$ 7.9832	\$ 98.6
19														
20	Forecast Incurred Gas Costs - \$000	\$ 318.2	\$ 563.1	\$ 728.0	\$ 891.4	\$ 673.7	\$ 626.5	\$ 304.8	\$ 169.6	\$ 111.3	\$ 72.8	\$ 93.2	\$ 149.3	\$ 4,701.9
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balance Before Tax	\$ (965.0)	\$ (1,066.0)	\$ (1,166.8)	\$ (1,263.2)	\$ (1,401.1)	\$ (1,498.9)	\$ (1,599.2)	\$ (1,687.2)	\$ (1,737.9)	\$ (1,770.7)	\$ (1,790.3)	\$ (1,814.9)	
28	Forecast Activity	(101.0)	(100.8)	(114.5)	(137.9)	(97.8)	(100.3)	(88.0)	(50.7)	(32.8)	(19.6)	(24.6)	(40.5)	
29	Closing Balance Before Tax	\$ (1,066.0)	\$ (1,166.8)	\$ (1,281.3)	\$ (1,401.1)	\$ (1,498.9)	\$ (1,599.2)	\$ (1,687.2)	\$ (1,737.9)	\$ (1,770.7)	\$ (1,790.3)	\$ (1,814.9)	\$ (1,855.4)	
30														
31	Tax Rate	30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	
32	Tax on Activity	(30.3)	(30.2)	(34.4)	(40.0)	(28.4)	(29.1)	(25.5)	(14.7)	(9.5)	(5.7)	(7.1)	(11.7)	
33														
34	Opening Balance After Tax	\$ (675.5)	\$ (746.2)	\$ (816.8)	\$ (896.9)	\$ (994.8)	\$ (1,064.2)	\$ (1,135.4)	\$ (1,197.9)	\$ (1,233.9)	\$ (1,257.2)	\$ (1,271.1)	\$ (1,288.6)	
35	Forecast Activity	(70.7)	(70.6)	(80.2)	(97.9)	(69.4)	(71.2)	(62.5)	(36.0)	(23.3)	(13.9)	(17.5)	(28.8)	
36	Closing Balance After Tax - \$000	\$ (746.2)	\$ (816.8)	\$ (896.9)	\$ (994.8)	\$ (1,064.2)	\$ (1,135.4)	\$ (1,197.9)	\$ (1,233.9)	\$ (1,257.2)	\$ (1,271.1)	\$ (1,288.6)	\$ (1,317.4)	

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
STATION NO. 2 INDEX PROJECTIONS  
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

Line No.	Particulars	July 1, 2008 Forecast with May 28, 2008 Forward Prices (July 1, 2008 Existing Tariff Rates)	October 1, 2008 Forecast with August 27, 2008 Forward Prices (Quarterly Test Rates)	Oct 1, 2008 Forecast Less Jul 1, 2008 Forecast Difference
	(1)	(2)	(3)	(4)
1	<b>Station No. 2 - \$CDN/GJ</b>	<b>Jan 2008- Sep 2010</b>	<b>Jan 2008- Sep 2010</b>	
2	January 2008	\$ 6.46	\$ 6.46	\$ 0.00
3	February	\$ 7.26	\$ 7.26	0.00
4	March	\$ 7.47	\$ 7.47	0.00
5	April	Rec. \$ 8.19	\$ 8.19	0.00
6	May	Proj. \$ 9.41	\$ 9.41	0.00
7	June	Forec. \$ 9.75	\$ 9.67	(0.08)
8	July	\$ 9.95	\$ 10.59	Rec. 0.64
9	August	\$ 10.04	\$ 7.25	Proj. (2.79)
10	September	\$ 10.09	\$ 6.20	Forec. (3.89)
11	October	\$ 10.21	\$ 6.98	(3.23)
12	November	\$ 10.70	\$ 7.89	(2.81)
13	December	\$ 11.04	\$ 8.39	(2.65)
14	Simple Average (Jan, 2008 - Dec, 2008)	\$ 9.21	\$ 7.98	-13.4% \$ (1.23)
15	Simple Average (Apr, 2008 - Mar, 2009)	\$ 10.23	\$ 8.37	-18.2% \$ (1.86)
16	Simple Average (Jul, 2008 - Jun, 2009)	\$ 10.21	\$ 8.07	-21.0% \$ (2.14)
17	Simple Average (Oct, 2008 - Sep, 2009)	\$ 9.99	\$ 8.10	-18.9% \$ (1.89)
18	<b>January 2009</b>	\$ 11.25	\$ 8.61	(2.64)
19	February	\$ 11.21	\$ 8.70	(2.51)
20	March	\$ 10.96	\$ 8.52	(2.44)
21	April	\$ 9.11	\$ 7.87	(1.24)
22	May	\$ 8.97	\$ 7.87	(1.10)
23	June	\$ 9.03	\$ 7.96	(1.07)
24	July	\$ 9.11	\$ 8.06	(1.05)
25	August	\$ 9.17	\$ 8.13	(1.04)
26	September	\$ 9.18	\$ 8.16	(1.02)
27	October	\$ 9.24	\$ 8.24	(1.00)
28	November	\$ 9.69	\$ 8.85	(0.84)
29	December	\$ 10.04	\$ 9.18	(0.86)
30	Simple Average (Jan, 2009 - Dec, 2009)	\$ 9.75	\$ 8.35	-14.4% \$ (1.40)
31	Simple Average (Apr, 2009 - Mar, 2010)	\$ 9.50	\$ 8.52	-10.3% \$ (0.98)
32	Simple Average (Jul, 2009 - Jun, 2010)	\$ 9.35	\$ 8.53	-8.8% \$ (0.82)
33	Simple Average (Oct, 2009 - Sep, 2010)	\$ 9.20	\$ 8.52	-7.4% \$ (0.68)
34	<b>January 2010</b>	\$ 10.25	\$ 9.41	\$ (0.84)
35	February	\$ 10.20	\$ 9.37	(0.83)
36	March	\$ 9.96	\$ 9.13	(0.83)
37	April	\$ 8.52	\$ 7.98	(0.54)
38	May	\$ 8.38	\$ 7.88	(0.50)
39	June	\$ 8.44	\$ 7.96	(0.48)
40	July	\$ 8.52	\$ 8.04	(0.48)
41	August	\$ 8.58	\$ 8.11	(0.47)
42	September	\$ 8.60	\$ 8.14	(0.46)

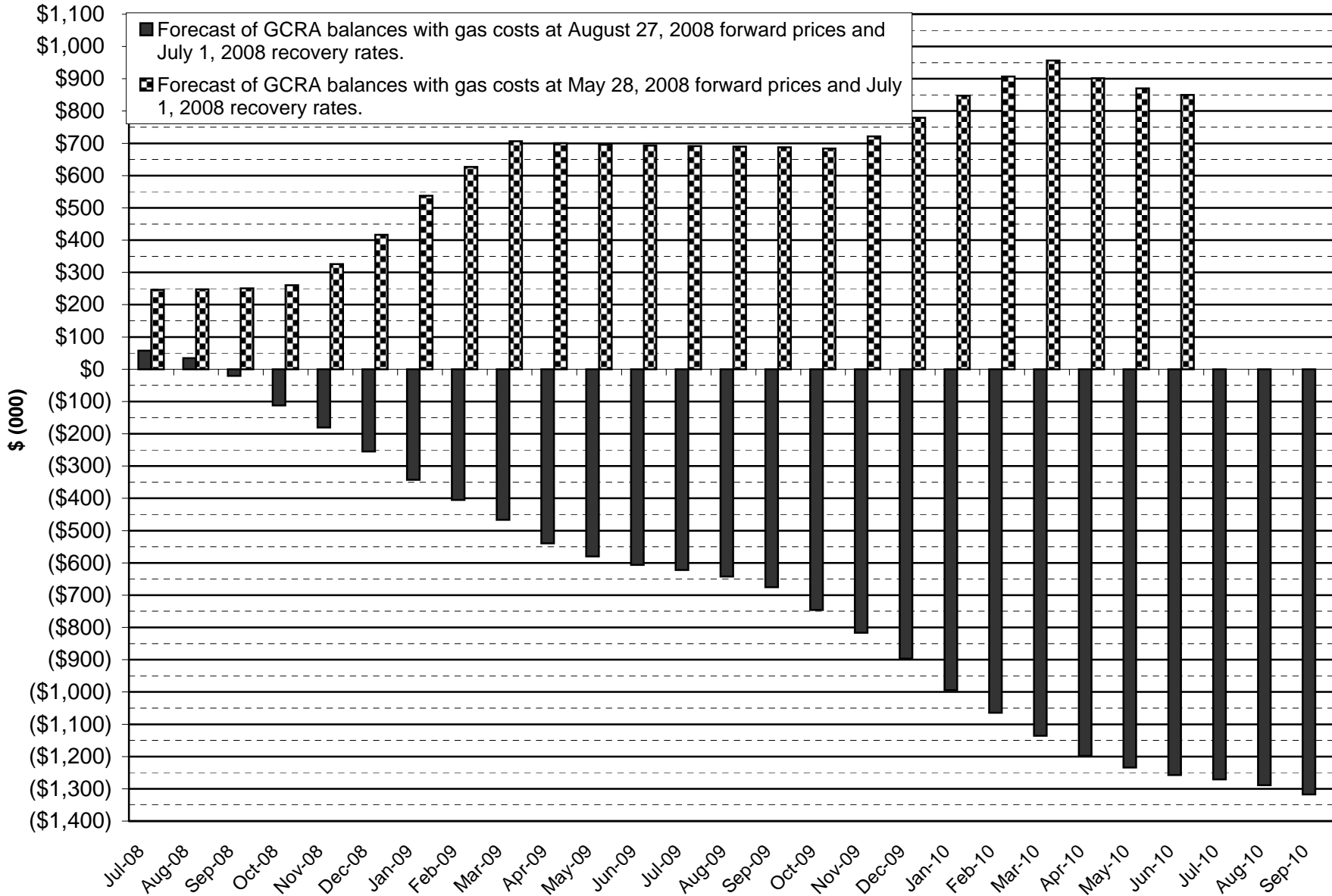
TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GCRA AFTER TAX BALANCES (\$000)  
FOR THE PERIOD ENDING SEPTEMBER 2010  
**WITH EXISTING GAS COST RECOVERY RATES**

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

Line No.	Particulars	2008 Q3 Gas Cost Report		2008 Q2 Gas Cost Report	
		July 1, 2008 Gas Cost Recovery Rates (August 27, 2008 Forward Prices)		July 1, 2008 Gas Cost Recovery Rates (May 28, 2008 Forward Prices)	
	(1)	(2)		(3)	
1	2007	January	\$ (242.3)		\$ (242.3)
2		February	\$ (151.6)		\$ (151.6)
3		March	\$ (144.0)		\$ (144.0)
4		April	\$ (160.4)		\$ (160.4)
5		May	\$ (239.7)		\$ (239.7)
6		June	\$ (143.5)		\$ (143.5)
7		July	\$ (199.6)		\$ (199.6)
8		August	\$ (156.5)		\$ (156.5)
9		September	\$ (196.6)		\$ (196.6)
10		October	\$ (185.3)		\$ (185.3)
11		November	\$ (185.4)		\$ (185.4)
12		December	\$ (112.1)		\$ (112.1)
13	2008	January	\$ 55.1		\$ 55.1
14		February	\$ 155.9		\$ 155.9
15		March	\$ 254.0		\$ 254.0
16		April	\$ 225.5	Recorded	\$ 225.5
17		May	\$ 152.6	Projected	\$ 237.7
18		June	\$ 153.6		\$ 244.9
19		July	Recorded \$ 57.4		\$ 245.9
20		August	Projected \$ 34.7		\$ 247.6
21		September	\$ (20.1)		\$ 250.6
22		October	\$ (112.4)		\$ 260.0
23		November	\$ (180.2)		\$ 325.8
24		December	\$ (254.7)		\$ 416.9
25	2009	January	\$ (342.5)		\$ 537.6
26		February	\$ (404.9)		\$ 627.2
27		March	\$ (466.6)		\$ 706.4
28		April	\$ (539.4)		\$ 700.5
29		May	\$ (579.9)		\$ 696.0
30		June	\$ (606.1)		\$ 693.1
31		July	\$ (622.1)		\$ 691.6
32		August	\$ (642.3)		\$ 689.9
33		September	\$ (675.5)		\$ 687.4
34		October	\$ (746.2)		\$ 684.2
35		November	\$ (816.8)		\$ 721.6
36		December	\$ (896.9)		\$ 779.5
37	2010	January	\$ (994.8)		\$ 847.9
38		February	\$ (1,064.2)		\$ 907.1
39		March	\$ (1,135.4)		\$ 956.4
40		April	\$ (1,197.9)		\$ 901.4
41		May	\$ (1,233.9)		\$ 870.2
42		June	\$ (1,257.2)		\$ 849.9
43		July	\$ (1,271.1)		
44		August	\$ (1,288.6)		
45		September	\$ (1,317.4)		

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

WITH PROPOSED OCTOBER 1, 2008 GAS COST RECOVERY RATES  
 (AUGUST 27, 2008 FORWARD PRICES)

Line No.	Particulars													12 months
		Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	42.4	67.9	84.5	101.8	76.3	71.8	38.9	21.7	14.1	9.2	11.7	18.8	559.1
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	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.868	\$ 6.868	\$ 6.868	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	
7														
8	Recovery on Sales - \$000	\$ 357.2	\$ 572.1	\$ 711.9	\$ 857.7	\$ 642.8	\$ 604.9	\$ 327.7	\$ 182.8	\$ 118.8	\$ 77.5	\$ 98.6	\$ 158.4	\$ 4,710.4
9	Recovery on T-Service UAF - \$000	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	-	-	0.8	7.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 357.9</u>	<u>\$ 572.8</u>	<u>\$ 712.6</u>	<u>\$ 858.5</u>	<u>\$ 643.6</u>	<u>\$ 605.7</u>	<u>\$ 328.5</u>	<u>\$ 183.6</u>	<u>\$ 119.6</u>	<u>\$ 77.5</u>	<u>\$ 98.6</u>	<u>\$ 159.2</u>	<u>\$ 4,718.1</u>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases Incl. Company Use and UAF - TJ	42.7	68.3	84.9	102.3	76.7	72.2	39.1	21.9	14.2	9.3	11.8	18.9	563.5
16														
17														
18	Blended Cost - \$/GJ	\$ 6.9614	\$ 8.6636	\$ 8.8402	\$ 8.9184	\$ 8.9486	\$ 8.8860	\$ 7.4656	\$ 7.4639	\$ 7.5173	\$ 7.5796	\$ 7.6219	\$ 7.6385	\$ 96.4
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 297.3</u>	<u>\$ 591.7</u>	<u>\$ 750.5</u>	<u>\$ 912.4</u>	<u>\$ 686.4</u>	<u>\$ 641.6</u>	<u>\$ 291.9</u>	<u>\$ 163.5</u>	<u>\$ 106.7</u>	<u>\$ 70.5</u>	<u>\$ 89.9</u>	<u>\$ 144.4</u>	<u>\$ 4,746.8</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balance Before Tax	\$ (29.1)	\$ (89.7)	\$ (70.8)	\$ (35.9)	\$ 18.0	\$ 60.8	\$ 96.7	\$ 60.1	\$ 40.0	\$ 27.1	\$ 20.1	\$ 11.4	
28	Forecast Activity	(60.6)	18.9	37.9	53.9	42.8	35.9	(36.6)	(20.1)	(12.9)	(7.0)	(8.7)	(14.8)	
29	Closing Balance Before Tax	<u>\$ (89.7)</u>	<u>\$ (70.8)</u>	<u>\$ (32.9)</u>	<u>\$ 18.0</u>	<u>\$ 60.8</u>	<u>\$ 96.7</u>	<u>\$ 60.1</u>	<u>\$ 40.0</u>	<u>\$ 27.1</u>	<u>\$ 20.1</u>	<u>\$ 11.4</u>	<u>\$ (3.4)</u>	
30														
31	Tax Rate	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
32	Tax on Activity	(18.8)	5.9	11.7	16.2	12.8	10.8	(11.0)	(6.0)	(3.9)	(2.1)	(2.6)	(4.4)	
33														
34	Opening Balance After Tax	\$ (20.1)	\$ (61.9)	\$ (48.9)	\$ (25.1)	\$ 12.6	\$ 42.6	\$ 67.7	\$ 42.1	\$ 28.0	\$ 19.0	\$ 14.1	\$ 8.0	
35	Forecast Activity	(41.8)	13.0	26.2	37.7	30.0	25.1	(25.6)	(14.1)	(9.0)	(4.9)	(6.1)	(10.4)	
36	Closing Balance After Tax - \$000	<u>\$ (61.9)</u>	<u>\$ (48.9)</u>	<u>\$ (22.7)</u>	<u>\$ 12.6</u>	<u>\$ 42.6</u>	<u>\$ 67.7</u>	<u>\$ 42.1</u>	<u>\$ 28.0</u>	<u>\$ 19.0</u>	<u>\$ 14.1</u>	<u>\$ 8.0</u>	<u>\$ (2.4)</u>	

WITH PROPOSED OCTOBER 1, 2008 GAS COST RECOVERY RATES  
 (AUGUST 27, 2008 FORWARD PRICES)

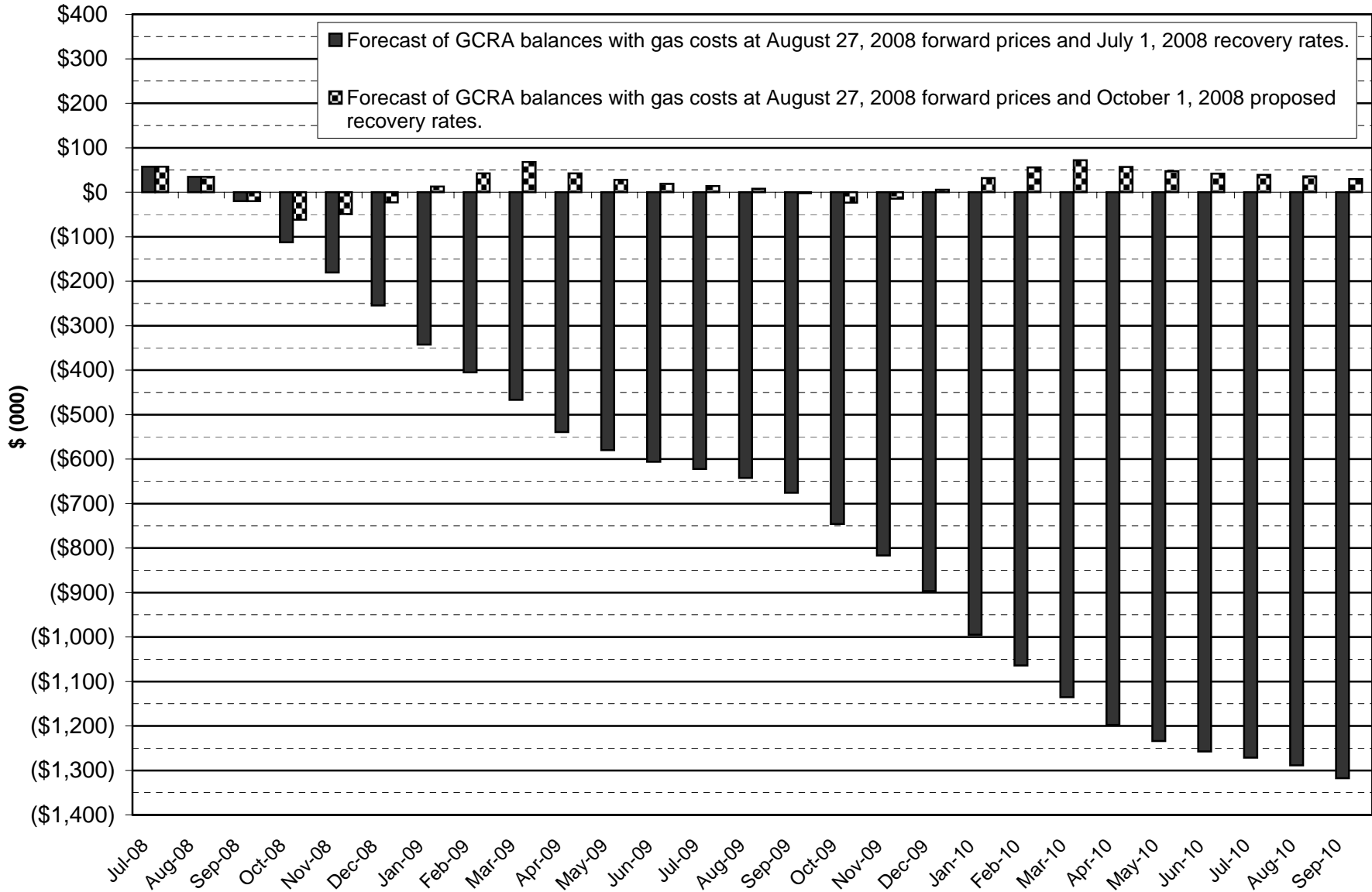
Line No.	Particulars													12 months
		Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	41.2	65.3	82.9	101.3	75.9	71.5	38.6	21.6	14.1	9.1	11.6	18.6	551.7
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	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425
7														
8	Recovery on Sales - \$000	\$ 347.1	\$ 550.2	\$ 698.4	\$ 853.5	\$ 639.5	\$ 602.4	\$ 325.2	\$ 182.0	\$ 118.8	\$ 76.7	\$ 97.7	\$ 156.7	\$ 4,648.2
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	8.0
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 347.9</u>	<u>\$ 551.0</u>	<u>\$ 699.2</u>	<u>\$ 854.3</u>	<u>\$ 640.3</u>	<u>\$ 603.2</u>	<u>\$ 326.0</u>	<u>\$ 182.8</u>	<u>\$ 119.6</u>	<u>\$ 76.7</u>	<u>\$ 97.7</u>	<u>\$ 157.5</u>	<u>\$ 4,656.2</u>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases Incl. Company Use and UAF - TJ	41.4	65.6	83.3	101.8	76.3	71.9	38.8	21.8	14.2	9.2	11.7	18.7	554.7
16														
17														
18	Blended Cost - \$/GJ	\$ 7.6848	\$ 8.5841	\$ 8.7392	\$ 8.7566	\$ 8.8295	\$ 8.7138	\$ 7.8562	\$ 7.7807	\$ 7.8403	\$ 7.9078	\$ 7.9633	\$ 7.9832	\$ 98.6
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 318.2</u>	<u>\$ 563.1</u>	<u>\$ 728.0</u>	<u>\$ 891.4</u>	<u>\$ 673.7</u>	<u>\$ 626.5</u>	<u>\$ 304.8</u>	<u>\$ 169.6</u>	<u>\$ 111.3</u>	<u>\$ 72.8</u>	<u>\$ 93.2</u>	<u>\$ 149.3</u>	<u>\$ 4,701.9</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balance Before Tax	\$ (3.4)	\$ (33.1)	\$ (21.0)	\$ 7.8	\$ 44.9	\$ 78.3	\$ 101.6	\$ 80.4	\$ 67.2	\$ 58.9	\$ 55.0	\$ 50.5	
28	Forecast Activity	(29.7)	12.1	28.8	37.1	33.4	23.3	(21.2)	(13.2)	(8.3)	(3.9)	(4.5)	(8.2)	
29	Closing Balance Before Tax	<u>\$ (33.1)</u>	<u>\$ (21.0)</u>	<u>\$ 7.8</u>	<u>\$ 44.9</u>	<u>\$ 78.3</u>	<u>\$ 101.6</u>	<u>\$ 80.4</u>	<u>\$ 67.2</u>	<u>\$ 58.9</u>	<u>\$ 55.0</u>	<u>\$ 50.5</u>	<u>\$ 42.3</u>	
30														
31	Tax Rate	30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
32	Tax on Activity	(8.9)	3.6	8.6	10.8	9.7	6.8	(6.1)	(3.8)	(2.4)	(1.1)	(1.3)	(2.4)	
33														
34	Opening Balance After Tax	\$ (2.4)	\$ (23.2)	\$ (14.7)	\$ 5.5	\$ 31.8	\$ 55.5	\$ 72.0	\$ 56.9	\$ 47.5	\$ 41.6	\$ 38.8	\$ 35.6	
35	Forecast Activity	(20.8)	8.5	20.2	26.3	23.7	16.5	(15.1)	(9.4)	(5.9)	(2.8)	(3.2)	(5.8)	
36	Closing Balance After Tax - \$000	<u>\$ (23.2)</u>	<u>\$ (14.7)</u>	<u>\$ 5.5</u>	<u>\$ 31.8</u>	<u>\$ 55.5</u>	<u>\$ 72.0</u>	<u>\$ 56.9</u>	<u>\$ 47.5</u>	<u>\$ 41.6</u>	<u>\$ 38.8</u>	<u>\$ 35.6</u>	<u>\$ 29.8</u>	

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

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

Line No.	Particulars	2008 Q3 Gas Cost Report		2008 Q3 Gas Cost Report	
		Proposed October 1, 2008 Rates (August 27, 2008 Forward Prices)		July 1, 2008 Gas Cost Recovery Rates (August 27, 2008 Forward Prices)	
	(1)	(2)		(3)	
1	2007	January	\$ (242.3)	\$	(242.3)
2		February	\$ (151.6)	\$	(151.6)
3		March	\$ (144.0)	\$	(144.0)
4		April	\$ (160.4)	\$	(160.4)
5		May	\$ (239.7)	\$	(239.7)
6		June	\$ (143.5)	\$	(143.5)
7		July	\$ (199.6)	\$	(199.6)
8		August	\$ (156.5)	\$	(156.5)
9		September	\$ (196.6)	\$	(196.6)
10		October	\$ (185.3)	\$	(185.3)
11		November	\$ (185.4)	\$	(185.4)
12		December	\$ (112.1)	\$	(112.1)
13	2008	January	\$ 55.1	\$	55.1
14		February	\$ 155.9	\$	155.9
15		March	\$ 254.0	\$	254.0
16		April	\$ 225.5	\$	225.5
17		May	\$ 152.6	\$	152.6
18		June	\$ 153.6	\$	153.6
19		July	Recorded \$ 57.4	Recorded \$	57.4
20		August	Projected \$ 34.7	Projected \$	34.7
21		September	\$ (20.1)	\$	(20.1)
22		October	\$ (61.9)	\$	(112.4)
23		November	\$ (48.9)	\$	(180.2)
24		December	\$ (22.7)	\$	(254.7)
25	2009	January	\$ 12.6	\$	(342.5)
26		February	\$ 42.6	\$	(404.9)
27		March	\$ 67.7	\$	(466.6)
28		April	\$ 42.1	\$	(539.4)
29		May	\$ 28.0	\$	(579.9)
30		June	\$ 19.0	\$	(606.1)
31		July	\$ 14.1	\$	(622.1)
32		August	\$ 8.0	\$	(642.3)
33		September	\$ (2.4)	\$	(675.5)
34		October	\$ (23.2)	\$	(746.2)
35		November	\$ (14.7)	\$	(816.8)
36		December	\$ 5.5	\$	(896.9)
37	2010	January	\$ 31.8	\$	(994.8)
38		February	\$ 55.5	\$	(1,064.2)
39		March	\$ 72.0	\$	(1,135.4)
40		April	\$ 56.9	\$	(1,197.9)
41		May	\$ 47.5	\$	(1,233.9)
42		June	\$ 41.6	\$	(1,257.2)
43		July	\$ 38.8	\$	(1,271.1)
44		August	\$ 35.6	\$	(1,288.6)
45		September	\$ 29.8	\$	(1,317.4)

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

Line No.	Schedule	Tariff Page	Particulars	July 1, 2008 Existing Rates	Gas Cost Changes	October 1, 2008 Proposed Rates
(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	\$5.33	\$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	\$20.31	(\$3.45)	\$16.86
13			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$25.77</b>	<b>(\$3.45)</b>	<b>\$22.32</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	\$10.151	(\$1.726)	\$8.425
19			<b>Next 28 Gigajoules in any month</b>	<b>\$11.706</b>	<b>(\$1.726)</b>	<b>\$9.980</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	\$10.151	(\$1.726)	\$8.425
25			<b>Excess of 30 Gigajoules in any month</b>	<b>\$11.663</b>	<b>(\$1.726)</b>	<b>\$9.937</b>
26						
27						
28	Rate 1	No. 1.1	<b>Option B</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	\$20.31	(\$3.45)	\$16.86
34			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$25.77</b>	<b>(\$3.45)</b>	<b>\$22.32</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	\$10.151	(\$1.726)	\$8.425
40			<b>Next 28 Gigajoules in any month</b>	<b>\$11.706</b>	<b>(\$1.726)</b>	<b>\$9.980</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	\$10.151	(\$1.726)	\$8.425
46			<b>Excess of 30 Gigajoules in any month</b>	<b>\$11.663</b>	<b>(\$1.726)</b>	<b>\$9.937</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 OCTOBER 1, 2008  
BCUC ORDER No. G-xx-08

Line No.	Schedule	Tariff Page	Particulars	July 1, 2008 Existing Rates	Gas Cost Changes	October 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	\$20.31	(\$3.45)	\$16.86
5			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$36.68</b>	<b>(\$3.45)</b>	<b>\$33.23</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	\$10.151	(\$1.726)	\$8.425
11			<b>Next 298 Gigajoules in any month</b>	<b>\$11.865</b>	<b>(\$1.726)</b>	<b>\$10.139</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	\$10.151	(\$1.726)	\$8.425
17			<b>Excess of 300 Gigajoules in any month</b>	<b>\$11.813</b>	<b>(\$1.726)</b>	<b>\$10.087</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	\$20.31	(\$3.45)	\$16.86
23			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$36.68</b>	<b>(\$3.45)</b>	<b>\$33.23</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	\$10.151	(\$1.726)	\$8.425
29			<b>Next 298 Gigajoules in any month</b>	<b>\$11.865</b>	<b>(\$1.726)</b>	<b>\$10.139</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	10.151	(\$1.726)	8.425
35			<b>Excess of 300 Gigajoules in any month</b>	<b>\$11.813</b>	<b>(\$1.726)</b>	<b>\$10.087</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	\$20.31	(\$3.45)	\$16.86
39			<b>Minimum Monthly Charge</b> (includes first 2 gigajoules)	<b>\$36.85</b>	<b>(\$3.45)</b>	<b>\$33.40</b>
40						
41			Delivery Charge per GJ	\$2.033	\$0.000	\$2.033
42			Gas Cost Recovery Charge per GJ	\$10.151	(\$1.726)	\$8.425
43			<b>Next 298 Gigajoules in any month</b>	<b>\$12.184</b>	<b>(\$1.726)</b>	<b>\$10.458</b>
44						
45			Delivery Charge per GJ	\$1.981	\$0.000	\$1.981
46			Gas Cost Recovery Charge per GJ	\$10.151	(\$1.726)	\$8.425
47			<b>Excess of 300 Gigajoules in any month</b>	<b>\$12.132</b>	<b>(\$1.726)</b>	<b>\$10.406</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 OCTOBER 1, 2008  
 BCUC ORDER No. G-xx-08

Tab 3  
 Page 3

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	July 1, 2008 Existing Rates (4)	Gas Cost Changes (5)	October 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			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
8			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$1.726)	\$8.425
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			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
20			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$1.726)	\$8.425
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			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
32			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$1.726)	\$8.425
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 OCTOBER 1, 2008 RATE CHANGES**

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

Line No.	Existing July 1, 2008 Rates			Proposed October 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	20.31	243.72	12 months x	16.86	202.32	(3.45)	(41.40)	-2.18%
8			\$25.77	\$309.24			\$22.32	\$267.84	(3.45) (\$41.40) -2.18%
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	10.151	1,380.54	136 GJ x	8.425	1,145.80	(1.726)	(234.74)	-12.35%
15			\$11.706	\$1,592.02			\$9.980	\$1,357.28	(1.726) (\$234.74) -12.35%
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	10.151	0.00	0 GJ x	8.425	0.00	(1.726)	0.00	0.00%
22			\$11.663	\$0.00			\$9.937	\$0.00	(1.726) \$0.00 0.00%
23									
24	Total	160 GJ	\$1,901.26	160 GJ	\$1,625.12		(\$276.14)		-14.52%
25									
26	<u>Summary of Annual Delivery and Commodity Charges</u>								
27			\$277.00	\$277.00			\$0.00	0.00%	
28			1,624.26	1,348.12			(276.14)		-14.52%
29			\$1,901.26	\$1,625.12			(\$276.14)		-14.52%



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

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

Line No.	Existing July 1, 2008 Rates			Proposed October 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	20.31 =	243.72	12 months x	16.86 =	202.32	(3.45)	(41.40)	-0.62%
8	Minimum Monthly Charge (includes the first 2 gigajoules)	\$36.68	\$440.16		\$33.23	\$398.76	(\$3.45)	(\$41.40)	-0.62%
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	10.151 =	5,339.43	526 GJ x	8.425 =	4,431.55	(1.726)	(907.88)	-13.59%
15	Total Charges per GJ	\$11.865	\$6,240.99		\$10.139	\$5,333.11	(\$1.726)	(\$907.88)	-13.59%
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	10.151 =	0.00	0 GJ x	8.425 =	0.00	(1.726)	0.00	0.00%
22	Total Charges per GJ	\$11.813	\$0.00		\$10.087	\$0.00	(\$1.726)	\$0.00	0.00%
23									
24	Total	550 GJ	\$6,681.15	550 GJ	\$5,731.87		(\$949.28)		-14.21%
25									
26	<u>Summary of Annual Delivery and Commodity Charges</u>								
27	Delivery Charge (including RSAM)		\$1,098.00			\$1,098.00	\$0.00		0.00%
28	Commodity Charge		5,583.15			4,633.87	(949.28)		-14.21%
29	Total		\$6,681.15			\$5,731.87	(\$949.28)		-14.21%

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

**RATE 2.2 - GENERAL (COMMERCIAL) SERVICE**

Line No.	Existing July 1, 2008 Rates			Proposed October 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	Delivery Charge per month	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	12 months x	(0.13) =	(1.56)	12 months x	(0.13) =	(1.56)	0.00	0.00	0.00%
6	Rider 5 - RSAM per month	12 months x	0.23 =	2.76	12 months x	0.23 =	2.76	0.00	0.00	0.00%
7	Gas Cost Recovery Charge per month	12 months x	20.31 =	243.72	12 months x	16.86 =	202.32	(3.45)	(41.40)	-0.10%
8	Minimum Monthly Charge (includes the first 2 gigajoules)		\$36.68	\$440.16		\$33.23	\$398.76	(\$3.45)	(\$41.40)	-0.10%
9										
10	<u>Next 298 Gigajoules in any month</u>									
11	Delivery Charge per GJ	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	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	3,326 GJ x	(0.066) =	(219.52)	3,326 GJ x	(0.066) =	(219.52)	0.000	0.00	0.00%
13	Rider 5 - RSAM per GJ	3,326 GJ x	0.116 =	385.82	3,326 GJ x	0.116 =	385.82	0.000	0.00	0.00%
14	Gas Cost Recovery Charge per GJ	3,326 GJ x	10.151 =	33,762.23	3,326 GJ x	8.425 =	28,021.55	(1,726)	(5,740.68)	-14.39%
15	Total Charges per GJ		\$11.865	\$39,462.99		\$10.139	\$33,722.31	(\$1,726)	(\$5,740.68)	-14.39%
16										
17	<u>Excess of 300 Gigajoules in any month</u>									
18	Delivery Charge per GJ	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 GJ x	(0.066) =	0.00	0 GJ x	(0.066) =	0.00	0.000	0.00	0.00%
20	Rider 5 - RSAM per GJ	0 GJ x	0.116 =	0.00	0 GJ x	0.116 =	0.00	0.000	0.00	0.00%
21	Gas Cost Recovery Charge per GJ	0 GJ x	10.151 =	0.00	0 GJ x	8.425 =	0.00	(1,726)	0.00	0.00%
22	Total Charges per GJ		\$11.813	\$0.00		\$10.087	\$0.00	(\$1,726)	\$0.00	0.00%
23										
24	Total	<u>3,350</u>	GJ	<u>\$39,903.15</u>	<u>3,350</u>	GJ	<u>\$34,121.07</u>	<u>(\$5,782.08)</u>		-14.49%
25										
26	<u>Summary of Annual Delivery and Commodity Charges</u>									
27	Delivery Charge (including RSAM)			\$5,897.20			\$5,897.20	\$0.00		0.00%
28	Commodity Charge			34,005.95			28,223.87	(5,782.08)		-14.49%
29	Total			<u>\$39,903.15</u>			<u>\$34,121.07</u>	<u>(\$5,782.08)</u>		-14.49%