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September 4, 2008

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Regulatory Affairs Correspondence
Email: regulatory.affairs@terasengas.com

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. – Lower Mainland, Inland, and Columbia Service Areas
Commodity Cost Reconciliation Account (“CCRA”) and Midstream Cost
Reconciliation Account (“MCRA”) Deferral Accounts and
2008 Third Quarter Gas Cost Report**

The attached materials provide the Terasen Gas Inc. (“Terasen Gas” or the “Company”) 2008 Third Quarter Gas Cost Report for the CCRA and MCRA deferral accounts as required under British Columbia Utilities Commission (the “Commission”) guidelines.

The materials comprising of the Terasen Gas 2008 Third Quarter Gas Cost Report are attached herein under Tabs 1 to 5. The CCRA balance at September 30, 2008, based on the August 27, 2008 forward prices, is projected to be approximately \$33 million surplus (after tax). Further, based on the August 27, 2008 forward prices, the gas purchase cost assumptions, and the forecast commodity 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 CCRA ratio is calculated to be 123.5% (Tab 1, Page 2, Column 2, Line 11). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is required at this time.

Tab 2 provides the information related to the allocation of the forecast CCRA gas supply costs based on the August 27, 2008 forward prices to the Sales Rate Classes. The schedules within this section indicate the decrease that would be required to the Cost of Gas (Commodity Cost Recovery Charge), effective October 1, 2008, to eliminate the forecast over-recovery of the 12-month forward gas purchase costs and to amortize the projected September 30, 2008 surplus deferral balance. The revised rates, based on the flow-through calculation, for the Sales Rate Classes within the Lower Mainland, Inland, and Columbia service areas are shown in Tab 2, Table A, Pages 1 to 1.2, Line 33. The Cost of Gas (Commodity Cost Recovery Charge) rate would decrease from \$9.780/GJ to \$7.922/GJ effective October 1, 2008 – a decrease of \$1.858/GJ. The proposed rate change would decrease the annual bill by approximately \$204 or 12.4%, for a Lower Mainland residential customer with an average annual consumption of 110 GJ.

The monthly deferral account balances for the CCRA and the MCRA based on the existing rates and on the proposed rates effective October 1, 2008 are shown within the schedules provided on Pages 1 to 1.1 at Tab 1 and Tab 3, respectively. Terasen Gas will continue to monitor and report MCRA balances consistent with the Company’s position that midstream

revenues and costs be reported on a quarterly basis and, under normal circumstances, midstream rates be adjusted on an annual basis with a January 1 effective date.

Tabs 4 and 5 provide the tariff continuity and the bill impact schedules. These schedules reflect the effect of the proposed October 1, 2008 decrease to the Cost of Gas (Commodity Cost Recovery Charge).

In summary, Terasen Gas requests Commission approval to decrease the Cost of Gas (Commodity Cost Recovery Charge) for the Lower Mainland, Inland, and Columbia service areas effective October 1, 2008 from \$9.780/GJ to \$7.922/GJ – a decrease of \$1.858/GJ.

We trust that the Commission will find this filing in order. If there are any questions regarding this filing, 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. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
BCUC CCRA/MCRA GAS COST GUIDELINES
CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)
 (\$ Millions)
 August 27, 2008 Forward Curve

Line No.	Particulars	Recorded Previous Qtr Apr-Jun	2008 Recorded Jul	2008 Proj Aug	2008 Proj Sep	2008 Forec Oct	2008 Forec Nov	2008 Forec Dec	2009 Forec Jan	2009 Forec Feb	2009 Forec Mar	2009 Forec Apr	2009 Forec May	2009 Forec Jun	2009 Forec Jul	2009 Forec Aug	2009 Forec Sep	Total Oct-Sep
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	CCRA Forecast (at existing rates)																	
2	CCRA Balance, Beginning ^(1*)	\$ (19)	\$ 1	\$ (12)	\$ (26)	\$ (48)	\$ (65)	\$ (72)	\$ (77)	\$ (81)	\$ (86)	\$ (92)	\$ (106)	\$ (121)	\$ (135)	\$ (149)	\$ (162)	\$ (47)
3																		
4	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 224	\$ 76	\$ 65	\$ 57	62	68	73	74	67	73	61	64	62	65	65	63	798
5																		
6	Revenue From Commodity Cost Recovery Rates	\$ (203)	\$ (89)	\$ (80)	\$ (78)	(79)	(76)	(79)	(79)	(71)	(79)	(76)	(79)	(76)	(79)	(79)	(76)	(926)
7																		
8																		
9	CCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ 1</u>	<u>\$ (12)</u>	<u>\$ (26)</u>	<u>\$ (48)</u>	<u>\$ (65)</u>	<u>\$ (72)</u>	<u>\$ (78)</u>	<u>\$ (81)</u>	<u>\$ (86)</u>	<u>\$ (92)</u>	<u>\$ (106)</u>	<u>\$ (121)</u>	<u>\$ (135)</u>	<u>\$ (149)</u>	<u>\$ (162)</u>	<u>\$ (175)</u>	<u>\$ (175)</u>
10																		
11	CCRA Balance, Ending - After Tax ^(3*)	<u>\$ 1</u>	<u>\$ (8)</u>	<u>\$ (18)</u>	<u>\$ (33)</u>	<u>\$ (45)</u>	<u>\$ (50)</u>	<u>\$ (54)</u>	<u>\$ (57)</u>	<u>\$ (60)</u>	<u>\$ (64)</u>	<u>\$ (74)</u>	<u>\$ (85)</u>	<u>\$ (94)</u>	<u>\$ (104)</u>	<u>\$ (113)</u>	<u>\$ (122)</u>	<u>\$ (122)</u>
12																		
13	MCRA Forecast (at existing rates)																	
14	MCRA Balance, Beginning ^(1*)	\$ 19	\$ (23)	\$ (9)	\$ 17	\$ 39	\$ 45	\$ 36	\$ 6	\$ (21)	\$ (39)	\$ (51)	\$ (51)	\$ (40)	\$ (19)	\$ 4	\$ 29	\$ 39
15																		
16	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 42	\$ 42	\$ (15)	\$ (9)	11	84	108	111	100	83	11	(14)	(21)	(26)	(26)	(15)	405
17																		
18	Revenue From Commodity Cost Recovery Rates	\$ (84)	\$ (29)	\$ 41	\$ 34	(5)	(93)	(138)	(138)	(118)	(95)	(10)	25	42	50	51	35	(395)
19																		
20																		
21	MCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ (23)</u>	<u>\$ (9)</u>	<u>\$ 17</u>	<u>\$ 39</u>	<u>\$ 45</u>	<u>\$ 36</u>	<u>\$ 6</u>	<u>\$ (21)</u>	<u>\$ (39)</u>	<u>\$ (51)</u>	<u>\$ (51)</u>	<u>\$ (40)</u>	<u>\$ (19)</u>	<u>\$ 4</u>	<u>\$ 29</u>	<u>\$ 50</u>	<u>\$ 50</u>
22																		
23	MCRA Balance, Ending - After Tax ^(3*)	<u>\$ (16)</u>	<u>\$ (7)</u>	<u>\$ 12</u>	<u>\$ 27</u>	<u>\$ 31</u>	<u>\$ 25</u>	<u>\$ 4</u>	<u>\$ (15)</u>	<u>\$ (27)</u>	<u>\$ (36)</u>	<u>\$ (36)</u>	<u>\$ (28)</u>	<u>\$ (13)</u>	<u>\$ 3</u>	<u>\$ 21</u>	<u>\$ 35</u>	<u>\$ 35</u>
24																		
25	Combined CCRA and MCRA Forecast (at existing rates)																	
26																		
27	Combined Balance, Beginning ^(1*)	\$ (1)	\$ (22)	\$ (21)	\$ (9)	\$ (8)	\$ (20)	\$ (37)	\$ (70)	\$ (102)	\$ (125)	\$ (143)	\$ (157)	\$ (160)	\$ (154)	\$ (144)	\$ (133)	\$ (8)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 266	\$ 118	\$ 51	\$ 48	72	153	181	185	167	156	72	50	41	38	39	48	1,203
30																		
31	Revenue From Commodity Cost Recovery Rates	\$ (287)	\$ (118)	(39)	(43)	(84)	(169)	(216)	(217)	(189)	(174)	(87)	(54)	(34)	(29)	(27)	(41)	(1,321)
32																		
33																		
34	Combined Balance, Ending - Pre Tax ^(2*)	<u>\$ (22)</u>	<u>\$ (21)</u>	<u>(9)</u>	<u>(8)</u>	<u>\$ (20)</u>	<u>\$ (37)</u>	<u>\$ (71)</u>	<u>\$ (102)</u>	<u>\$ (125)</u>	<u>\$ (143)</u>	<u>\$ (157)</u>	<u>\$ (160)</u>	<u>\$ (154)</u>	<u>\$ (144)</u>	<u>\$ (133)</u>	<u>\$ (125)</u>	<u>\$ (126)</u>
35																		
36	Combined Balance, Ending - After Tax ^(3*)	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>(7)</u>	<u>(6)</u>	<u>\$ (14)</u>	<u>\$ (25)</u>	<u>\$ (49)</u>	<u>\$ (71)</u>	<u>\$ (87)</u>	<u>\$ (100)</u>	<u>\$ (110)</u>	<u>\$ (112)</u>	<u>\$ (108)</u>	<u>\$ (101)</u>	<u>\$ (93)</u>	<u>\$ (88)</u>	<u>\$ (88)</u>

Notes: Slight differences in totals due to rounding.

(1*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts (January 1, 2008, 31.0%; January 1, 2009, 30.0%; and January 1, 2010, 29.0%).

(2*) For budget purposes, the MCRA/CCRA pre tax balances include grossed up projected deferred interest as at Sept 30, 2008.

(3*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
BCUC CCRA/MCRA GAS COST GUIDELINES
CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)
 (\$ Millions)
 August 27, 2008 Forward Curve

Line No.	Particulars	12 Month To Sep 30, 2009 Forecast	2009 Forec Oct	2009 Forec Nov	2009 Forec Dec	2010 Forec Jan	2010 Forec Feb	2010 Forec Mar	2010 Forec Apr	2010 Forec May	2010 Forec Jun	2010 Forec Jul	2010 Forec Aug	2010 Forec Sep	12 Month To Sep 30, 2010 Forecast	24 Month To Sep 30, 2010 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	CCRA Forecast (at existing rates)															
2	CCRA Balance, Beginning ^(1*)	\$ (47)	\$ (175)	\$ (186)	\$ (193)	\$ (196)	\$ (199)	\$ (202)	\$ (207)	\$ (220)	\$ (234)	\$ (247)	\$ (260)	\$ (273)	\$ (172)	\$ (44)
3																
4	Gas Costs Incurred (Incl. Hedging, etc.)	798	67	69	73	76	68	74	63	65	63	65	66	66	813	1,610
5																
6	Revenue From Commodity Cost Recovery Rates	(926)	(78)	(76)	(78)	(78)	(71)	(78)	(76)	(78)	(76)	(78)	(78)	(76)	(923)	(1,849)
7																
8																
9	CCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ (175)</u>	<u>\$ (186)</u>	<u>\$ (193)</u>	<u>\$ (199)</u>	<u>\$ (199)</u>	<u>\$ (202)</u>	<u>\$ (207)</u>	<u>\$ (220)</u>	<u>\$ (234)</u>	<u>\$ (247)</u>	<u>\$ (260)</u>	<u>\$ (273)</u>	<u>\$ (283)</u>	<u>\$ (283)</u>	<u>\$ (283)</u>
10																
11	CCRA Balance, Ending - After Tax ^(3*)	<u>\$ (122)</u>	<u>\$ (130)</u>	<u>\$ (135)</u>	<u>\$ (139)</u>	<u>\$ (141)</u>	<u>\$ (144)</u>	<u>\$ (147)</u>	<u>\$ (156)</u>	<u>\$ (166)</u>	<u>\$ (176)</u>	<u>\$ (185)</u>	<u>\$ (194)</u>	<u>\$ (201)</u>	<u>\$ (201)</u>	<u>\$ (201)</u>
12																
13	MCRA Forecast (at existing rates)															
14	MCRA Balance, Beginning ^(1*)	\$ 39	\$ 50	\$ 52	\$ 36	\$ 6	\$ (27)	\$ (51)	\$ (71)	\$ (72)	\$ (59)	\$ (38)	\$ (14)	\$ 11	\$ 50	\$ 39
15																
16	Gas Costs Incurred (Incl. Hedging, etc.)	405	16	94	116	115	106	89	18	(12)	(23)	(25)	(24)	(23)	448	853
17																
18	Revenue From Commodity Cost Recovery Rates	(395)	(13)	(111)	(146)	(148)	(130)	(109)	(19)	25	43	49	50	40	(469)	(863)
19																
20																
21	MCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ 50</u>	<u>\$ 52</u>	<u>\$ 36</u>	<u>\$ 6</u>	<u>\$ (27)</u>	<u>\$ (51)</u>	<u>\$ (71)</u>	<u>\$ (72)</u>	<u>\$ (59)</u>	<u>\$ (38)</u>	<u>\$ (14)</u>	<u>\$ 11</u>	<u>\$ 29</u>	<u>\$ 29</u>	<u>\$ 29</u>
22																
23	MCRA Balance, Ending - After Tax ^(3*)	<u>\$ 35</u>	<u>\$ 37</u>	<u>\$ 25</u>	<u>\$ 4</u>	<u>\$ (19)</u>	<u>\$ (36)</u>	<u>\$ (51)</u>	<u>\$ (51)</u>	<u>\$ (42)</u>	<u>\$ (27)</u>	<u>\$ (10)</u>	<u>\$ 8</u>	<u>\$ 21</u>	<u>\$ 21</u>	<u>\$ 21</u>
24																
25	Combined CCRA and MCRA Forecast (at existing rates)															
26																
27	Combined Balance, Beginning ^(1*)	\$ (7)	\$ (125)	\$ (134)	\$ (157)	\$ (190)	\$ (226)	\$ (253)	\$ (278)	\$ (292)	\$ (293)	\$ (285)	\$ (275)	\$ (262)	\$ (125)	\$ (4)
28																
29	Gas Costs Incurred (Incl. Hedging, etc.)	1,203	83	164	189	191	173	162	81	53	40	40	42	44	1,261	2,463
30																
31	Revenue From Commodity Cost Recovery Rates	(1,321)	(92)	(186)	(225)	(227)	(200)	(188)	(95)	(53)	(33)	(29)	(29)	(36)	(1,392)	(2,713)
32																
33																
34	Combined Balance, Ending - Pre Tax ^(2*)	<u>\$ (125)</u>	<u>\$ (134)</u>	<u>\$ (157)</u>	<u>\$ (193)</u>	<u>\$ (226)</u>	<u>\$ (253)</u>	<u>\$ (278)</u>	<u>\$ (292)</u>	<u>\$ (293)</u>	<u>\$ (285)</u>	<u>\$ (275)</u>	<u>\$ (262)</u>	<u>\$ (254)</u>	<u>\$ (256)</u>	<u>\$ (253)</u>
35																
36	Combined Balance, Ending - After Tax ^(3*)	<u>\$ (88)</u>	<u>\$ (94)</u>	<u>\$ (110)</u>	<u>\$ (135)</u>	<u>\$ (160)</u>	<u>\$ (180)</u>	<u>\$ (198)</u>	<u>\$ (207)</u>	<u>\$ (208)</u>	<u>\$ (203)</u>	<u>\$ (195)</u>	<u>\$ (186)</u>	<u>\$ (180)</u>	<u>\$ (180)</u>	<u>\$ (180)</u>
37																

Notes: Slight differences in totals due to rounding.
 (1*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts (January 1, 2008, 31.0%; January 1, 2009, 30.0%; and January 1, 2010, 29.0%).
 (2*) For budget purposes, the MCRA/CCRA pre tax balances include grossed up projected deferred interest as at Sept 30, 2008.
 (3*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

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TERASEN GAS INC.
CCRA AND MCRA RECOVERY - TO - COST RATIOS
FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
August 27, 2008 Forward Curve
Recorded Balances to July 31, 2008

Line No.	Particulars (1)	Balances (2)
		\$(millions)
1	CCRA Rate Change Trigger Mechanism	
2	Forecast Recovered Gas Costs per BCUC Guidelines (Oct 2008 - Sep 2009) (Tab 1, Page 1, Col. 18, Line 6)	\$ 926
3	Projected Residential Migration Adjustment to CCRA (Tab1, Page 1, Col 18, Line 7)	-
4	Total Recovered Gas Costs (Oct 2008 - Sep 2009)	<u>\$ 926</u>
5		
6	Forecast 12-month Gas Supply Cost (Oct 2008 - Sep 2009) (Tab 1, Page 1, Col.18, Line 4)	\$ 798
7		
8	Projected CCRA Grossed-up After Tax Balance (at Sep 30, 2008) (Tab 1, Page 1, Col. 6, Line 2)	(48)
9	Total Gas Cost - Trigger Mechanism Denominator	<u>\$ 750</u>
10		
11	CCRA Trigger Mechanism Ratio	\$ 926 / \$ 750 = <u>123.5%</u>
12		
13		
14		
15		
16	MCRA Ratio	
17	Forecast Recovered Gas Costs per BCUC Guidelines (Oct 2008 - Sep 2009) (Tab 1, Page 1, Col. 18, Line 18)	\$ 395
18	Projected Residential Migration Adjustment to CCRA (Tab1, Page 1, Col 18, Line 19)	-
19	Total Recovered Gas Costs (Oct 2008 - Sep 2009)	<u>\$ 395</u>
20		
21	Forecast 12-month Gas Supply Cost (Oct 2008 - Sep 2009) (Tab 1, Page 1, Col. 18, Line 16)	\$ 405
22		
23	MCRA Grossed-up After Tax Balance (at Sep 30, 2008) (Tab 1, Page 1, Col. 6, Line 14)	39
24	Total Gas Cost - Denominator	<u>\$ 445</u>
25		
26	MCRA Ratio	\$ 395 / \$ 445 = <u>88.8%</u>

Note: Slight differences in totals due to rounding.

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS
SUMAS INDEX FORECAST FOR THE PERIOD ENDING SEPTEMBER 30, 2010
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Line No.	Particulars	July 1, 2008 Trigger Test May 28, 2008	October 1, 2008 Trigger Test August 27, 2008	Oct 1, 2008 Trigger Test Less Jul 1, 2008
		Forward Prices (July 1, 2008 Existing Tariff Rates)	Forward Prices (Quarterly Test Rates)	Forecast Difference
	(1)	(2)	(3)	(4)
1	Sumas Index Prices - \$US/MMBTU	Jan 2008- Sep 2010	Jan 2008- Sep 2010	
2	January 2008	\$ 7.48	\$ 7.48	\$ -
3	February	\$ 8.57	\$ 8.57	-
4	March	\$ 8.46	\$ 8.46	-
5	April	Rec. \$ 8.81	\$ 8.81	-
6	May	Proj. \$ 10.17	\$ 10.17	-
7	June	Forec. \$ 10.75	\$ 10.77	0.02
8	July	\$ 10.95	\$ 11.69	Rec. 0.74
9	August	\$ 11.08	\$ 7.94	Proj. (3.14)
10	September	\$ 11.14	\$ 7.00	Forec. (4.14)
11	October	\$ 11.85	\$ 7.37	(4.48)
12	November	\$ 12.34	\$ 8.49	(3.85)
13	December	\$ 12.70	\$ 9.71	(2.99)
14	Simple Average (Jan, 2008 - Dec, 2008)	\$ 10.36	\$ 8.87	-14.4% \$ (1.49)
15	Simple Average (Apr, 2008 - Mar, 2009)	\$ 11.52	\$ 9.24	-19.8% \$ (2.28)
16	Simple Average (Jul, 2008 - Jun, 2009)	\$ 11.50	\$ 8.82	-23.3% \$ (2.68)
17	Simple Average (Oct, 2008 - Sep, 2009)	\$ 11.22	\$ 8.71	-22.4% \$ (2.51)
18	January 2009	\$ 12.93	\$ 10.02	\$ (2.91)
19	February	\$ 12.88	\$ 10.10	(2.78)
20	March	\$ 12.62	\$ 8.85	(3.77)
21	April	\$ 9.91	\$ 8.18	(1.73)
22	May	\$ 9.76	\$ 8.18	(1.58)
23	June	\$ 9.82	\$ 8.27	(1.55)
24	July	\$ 9.91	\$ 8.38	(1.53)
25	August	\$ 9.96	\$ 8.45	(1.51)
26	September	\$ 9.98	\$ 8.48	(1.50)
27	October	\$ 10.04	\$ 8.55	(1.49)
28	November	\$ 11.25	\$ 9.86	(1.39)
29	December	\$ 11.62	\$ 10.19	(1.43)
30	Simple Average (Jan, 2009 - Dec, 2009)	\$ 10.89	\$ 8.96	-17.7% \$ (1.93)
31	Simple Average (Apr, 2009 - Mar, 2010)	\$ 10.62	\$ 9.12	-14.1% \$ (1.50)
32	Simple Average (Jul, 2009 - Jun, 2010)	\$ 10.46	\$ 9.11	-12.9% \$ (1.35)
33	Simple Average (Oct, 2009 - Sep, 2010)	\$ 10.31	\$ 9.09	-11.8% \$ (1.22)
34	January 2010	\$ 11.84	\$ 10.42	\$ (1.42)
35	February	\$ 11.79	\$ 10.39	(1.40)
36	March	\$ 11.54	\$ 10.14	(1.40)
37	April	\$ 9.28	\$ 8.21	(1.07)
38	May	\$ 9.13	\$ 8.11	(1.02)
39	June	\$ 9.19	\$ 8.19	(1.00)
40	July	\$ 9.28	\$ 8.28	(1.00)
41	August	\$ 9.34	\$ 8.35	(0.99)
42	September	\$ 9.36	\$ 8.38	(0.98)
43				
44				
45				
46				
47				
48				
49				
50				
51	Conversion Factors	Forecast July 2008-June 2009	Forecast Oct 2008-Sep 2009	
52	Average Exchange Rate (1 \$US = x.xxxx \$CDN)	0.9915	1.0476	5.7% 0.056
53	GJ/MMBTU	1.055056	1.055056	
54	Bank of Canada Daily Exchange Rate (1 \$US = x.xxxx \$CDN)			
55	May 28, 2008 vs August 27, 2008	0.9915	1.0486	5.8% 0.057

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS
AECO INDEX PROJECTIONS
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

Line No.	Particulars	July 1, 2008 Trigger Test May 28, 2008 Forward Prices (July 1, 2008 Existing Tariff Rates)		October 1, 2008 Trigger Test August 27, 2008 Forward Prices (Quarterly Test Rates)		Oct 1, 2008 Trigger Test Less Jul 1, 2008 Forecast Difference
		(1)	(2)	(3)	(4)	
1	AECO - \$CDN/GJ		Jan 2008- Sep 2010	Jan 2008- Sep 2010		
2	January 2008		\$ 6.10	\$ 6.10		\$ (0.00)
3	February		\$ 6.88	\$ 6.88		0.00
4	March		\$ 7.30	\$ 7.30		0.00
5	April	Rec.	\$ 8.09	\$ 8.09		(0.00)
6	May	Proj.	\$ 8.92	\$ 8.92		0.00
7	June	Forec.	\$ 9.59	\$ 9.58		(0.01)
8	July		\$ 9.94	\$ 10.80	Rec.	0.86
9	August		\$ 10.04	\$ 8.44	Proj.	(1.60)
10	September		\$ 10.08	\$ 7.12	Forec.	(2.96)
11	October		\$ 10.20	\$ 7.28		(2.92)
12	November		\$ 10.46	\$ 7.76		(2.70)
13	December		\$ 10.79	\$ 8.26		(2.53)
14	Simple Average (Jan, 2008 - Dec, 2008)		\$ 9.03	\$ 8.04	-11.0%	\$ (0.99)
15	Simple Average (Apr, 2008 - Mar, 2009)		\$ 10.07	\$ 8.48	-15.8%	\$ (1.59)
16	Simple Average (Jul, 2008 - Jun, 2009)		\$ 10.11	\$ 8.26	-18.3%	\$ (1.85)
17	Simple Average (Oct, 2008 - Sep, 2009)		\$ 9.90	\$ 8.13	-17.9%	\$ (1.77)
18	January 2009		\$ 11.01	\$ 8.49		\$ (2.52)
19	February		\$ 10.96	\$ 8.57		(2.39)
20	March		\$ 10.71	\$ 8.39		(2.32)
21	April		\$ 9.13	\$ 7.99		(1.14)
22	May		\$ 8.99	\$ 7.99		(1.00)
23	June		\$ 9.05	\$ 8.08		(0.97)
24	July		\$ 9.13	\$ 8.18		(0.95)
25	August		\$ 9.18	\$ 8.25		(0.93)
26	September		\$ 9.20	\$ 8.28		(0.92)
27	October		\$ 9.26	\$ 8.36		(0.90)
28	November		\$ 9.46	\$ 8.70		(0.76)
29	December		\$ 9.81	\$ 9.03		(0.78)
30	Simple Average (Jan, 2009 - Dec, 2009)		\$ 9.66	\$ 8.36	-13.5%	\$ (1.30)
31	Simple Average (Apr, 2009 - Mar, 2010)		\$ 9.41	\$ 8.53	-9.4%	\$ (0.88)
32	Simple Average (Jul, 2009 - Jun, 2010)		\$ 9.26	\$ 8.51	-8.1%	\$ (0.75)
33	Simple Average (Oct, 2009 - Sep, 2010)		\$ 9.12	\$ 8.48	-7.0%	\$ (0.64)
34	January 2010		\$ 10.02	\$ 9.26		\$ (0.76)
35	February		\$ 9.97	\$ 9.23		(0.74)
36	March		\$ 9.74	\$ 8.98		(0.76)
37	April		\$ 8.54	\$ 7.99		(0.55)
38	May		\$ 8.40	\$ 7.90		(0.50)
39	June		\$ 8.46	\$ 7.97		(0.49)
40	July		\$ 8.54	\$ 8.06		(0.48)
41	August		\$ 8.60	\$ 8.13		(0.47)
42	September		\$ 8.62	\$ 8.15		(0.47)

TERASEN GAS INC. - LM, INLAND AND COLUMBIA SERVICE AREAS
STATION NO. 2 INDEX PROJECTIONS
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

Line No.	Particulars	July 1, 2008 Trigger Test May 28, 2008 Forward Prices (July 1, 2008 Existing Tariff Rates)	October 1, 2008 Trigger Test August 27, 2008 Forward Prices (Quarterly Test Rates)	Oct 1, 2008 Trigger Test Less Jul 1, 2008 Forecast Difference
		(1)	(2)	(3)
1	Station No. 2 - \$CDN/GJ	Jan 2008- Sep 2010	Jan 2008- Sep 2010	
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	January 2009	\$ 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	January 2010	\$ 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)

GAS BUDGET COST SUMMARY
FORWARD PRICES: Aug 27, 2008
Oct 2008 to Sept 2009

Line No.	Particulars	TJ's Delivered	(\$ Thousands)	\$/GJ	Comments
	(1)	(2)	(3)	(4)	(5)
1	CCRA				
2	<u>TERM PURCHASES</u>				
3	Hunt	0.0	\$ 0	\$ -	
4	Station #2	27,456.0	221,652	8.073	
5	Aeco	3,660.0	29,753	8.129	
6	TOTAL TERM PURCHASES	31,116.1	\$ 251,405	\$ 8.080	
7	<u>SEASONAL</u>				
8	Hunt	14,076.7	\$ 123,217	\$ 8.753	
9	Station #2	33,055.8	278,810	8.435	
10	Aeco	7,796.7	64,176	8.231	
11	TOTAL SEASONAL PURCHASES	54,929.2	\$ 466,203	\$ 8.487	
12	<u>SPOT</u>				
13	Hunt	125.0	\$ 1,170	\$ 9.364	
14	Station #2	5,763.0	45,776	7.943	
15	Aeco	2,745.0	22,318	8.130	
16	TOTAL SPOT PURCHASES	8,633.0	\$ 69,264	\$ 8.023	
17					
18	TOTAL CCRA COMMODITY	94,678.2	\$ 786,872	\$ 8.311	
19	HEDGING (GAIN)/LOSS		10,077		
20	CCRA ADMINISTRATION COSTS		659		
21	FUEL IN KIND				
22	TOTAL CCRA	96080.2	\$ 797,608		
23	MCRA				
24	<u>MCRA COMMODITY</u>				
25	Kingsgate	5,176	\$ 45,433	\$ 8.778	
26	Hunt	11,300	107,835	9.543	
27	Station #2	16,829	126,687	7.528	
28	Aeco	88	349	3.977	
29	TOTAL MCRA COMMODITY	33,393	280,304	\$ 8.394	
30					
31	PEAKING	40	\$ 590	\$ 14.754	Daily priced-assumed at 1.5 x month price
32	<u>TRANSPORTATION</u>				
33	WEI		\$ 67,642		
34	NOVA/ANG		12,148		
35	NWP		4,579		
36	TOTAL TRANSPORTATION		\$ 84,369		
37	<u>STORAGE GAS</u>				
38	<u>Injection</u>				
39	BC (Aitken)	(20,416)	\$ (170,844)	\$ 8.368	Includes LNG
40	Alberta (Carbon)	(3,000)	(24,696)	8.232	
41	Downstream (JP/Mist)	(8,110)	(71,887)	8.864	
42	TOTAL INJECTION	(31,527)	\$ (267,427)	\$ 8.483	
43	<u>Withdrawal</u>				
44	BC (Aitken)	19,438	\$ 183,389	\$ 9.434	Includes LNG
45	Alberta (Carbon)	2,961	28,090	9.485	
46	Downstream (JP/Mist)	7,715	69,924	9.064	
47	TOTAL WITHDRAWAL	30,115	\$ 281,403	\$ 9.344	
48	Storage Demand Charges (fixed only)				
49	BC (Aitken)		\$ 18,100		
50	Alberta (Carbon)		1,837		
51	Downstream (JP/Mist)		16,486		
52	TOTAL DEMAND CHARGE		\$ 36,423		
53	NET STORAGE		\$ 50,399		
54	<u>MITIGATION</u>				
55	Resale Commodity	(29,426)	\$ (253,640)		Both on/off system sales of surplus term & storage gas
56	Mitigation of Assets		(11,815)		Includes transportation & storage
57	<u>Other Costs</u>				
58	Company Gas Use	261	\$ (1,577)		Company Use, Heater Fuel, Compressor Fuel
59	GSMIP		1,000		
60	Terasen Gas Admin.		1,538		
61	TOTAL MCRA		\$ 151,168		
62					
63	TOTAL BUDGET		\$ 948,776		

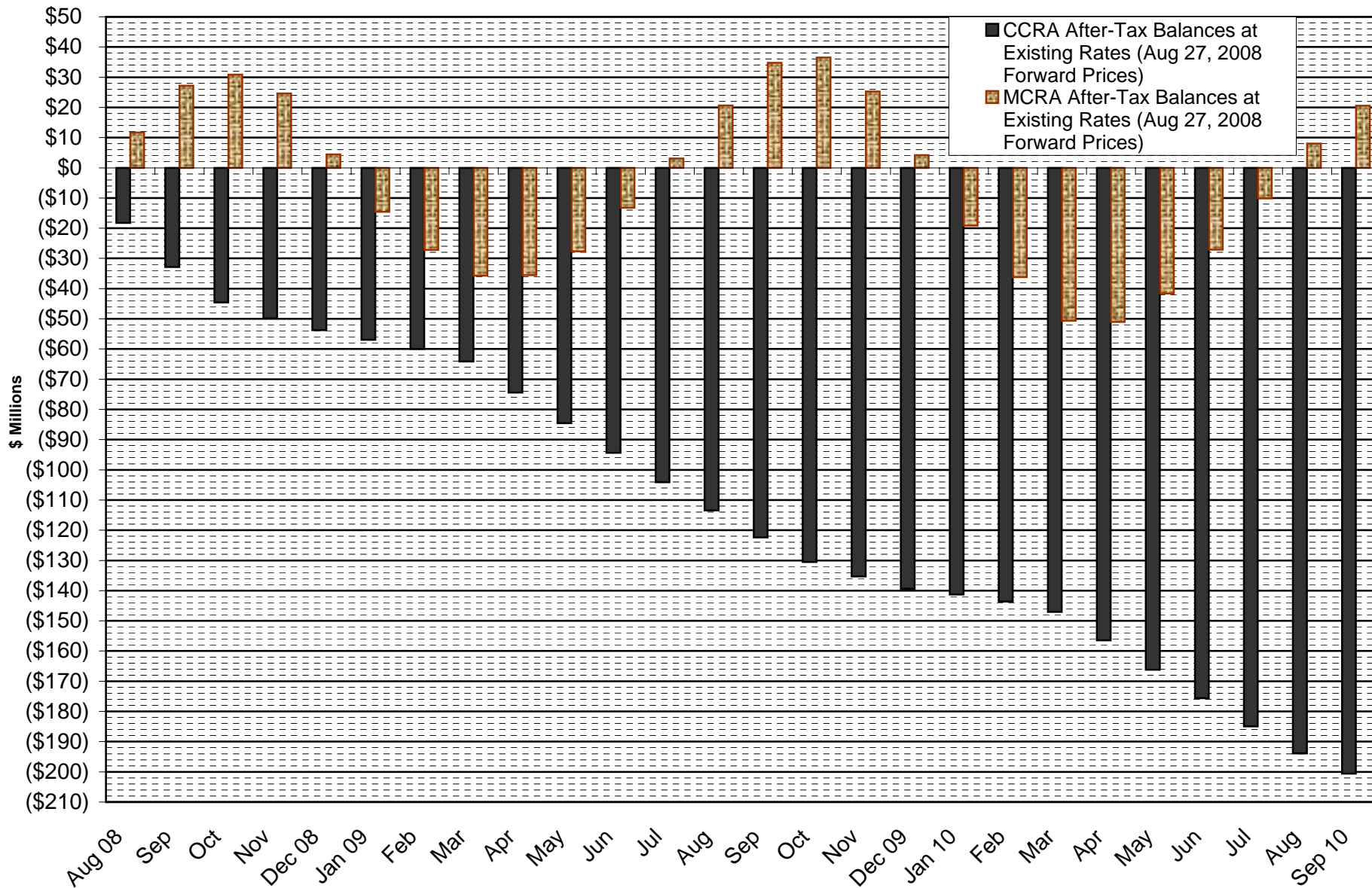
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TERASEN GAS INC.
RECONCILIATION OF GAS COSTS INCURRED
FOR THE TWELVE MONTHS ENDING SEPTEMBER 30, 2009
(Forecast based on August 27, 2008 Forward Prices)
\$(Millions)

Tab 1
Page 7

Line No.	Particulars (1)	CCRA/MCRA Deferral Acct Forecast (2)	Gas Budget Cost Summary (3)
1	Gas Cost Incurred - CCRA/MCRA		
2	12 Months Forecast to September 30, 2009		
3	(Tab 1, Page 1, Column 18, Line 29)	\$ 1,203	
4			
5	Gas Budget Cost Summary		
6	CCRA		\$ 798
7	MCRA		<u>151</u>
8	Total Net Costs for Firm Customers		949
9			
10	Add Back Off-System Sales		
11	Cost		253
12	Margin		(6)
13			
14	Add Back On-System Sales		
15	Cost (Rate 14)		7
16	Margin (Rate 14)		0
17			
18			
19			
20			
21	Reconciled Total Gas Costs Incurred		
22	CCRA/ MCRA 12 Month Forecast	<u>\$ 1,203</u>	<u>\$ 1,203</u>
23			
24	Note:		
25	Slight differences in totals due to rounding.		

Terasen Gas Inc.
 Lower Mainland, Inland and Columbia CCRA and MCRA Month-end Balances (After-Tax)
 Recorded to July 31, 2008 and Estimate to September 30, 2010



TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA
FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
\$000

TAB 2
TABLE A
LOWER MAINLAND
PAGE 1
 August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total LM Sales
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	SUMMARY									
2										
3	Sales Volume (TJ)	46,236.9	13,124.0	9,807.2	2,939.2	86.4	72,193.7	80.0	10.9	72,284.6
4										
5	Gas Purchase Costs - \$000									
6	Commodity Costs	\$ 384,292.8	\$ 109,078.7	\$ 81,511.4	\$ 24,428.8	\$ 718.1	\$ 600,029.8	\$ 643.7	\$ 89.9	\$ 600,763.4
7	Unamortized Deficit (Surplus)	(23,270.2)	(6,605.1)	(4,935.8)	(1,479.2)	(43.5)	(36,333.8)	(39.0)		(36,372.8)
8	Hedge Loss (Gain)	4,922.2	1,397.1	1,044.0	312.9	9.2	7,685.4	8.2		7,693.7
9	Core Market Administrative Costs	322.0	91.4	68.3	20.5	0.6	502.8	0.5	-	503.3
10	Total Costs (Variable)	<u>\$ 366,266.7</u>	<u>\$ 103,962.1</u>	<u>\$ 77,688.0</u>	<u>\$ 23,282.9</u>	<u>\$ 684.4</u>	<u>\$ 571,884.2</u>	<u>\$ 613.5</u>	<u>\$ 89.9</u>	<u>\$ 572,587.6</u>
11										
12										
13										
14										
15										
16										
17	Unit Costs (\$/GJ)									
18	Commodity Costs	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114			
19	Unamortized Deficit (Surplus)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)			
20	Hedge Loss (Gain)	0.1065	0.1065	0.1065	0.1065	0.1065	0.1065			
21	Core Market Administrative Costs	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070			
22	Total Costs (Variable)	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>			
23										
24										
25										
26										
27										
28										
29										
30										
31										
32	AVERAGE COST OF GAS - \$/GJ							Tariff Equal To Rate 5	Fixed Price Option Equal To Rate 5	
33	Forecast (CCRA with August 27, 2008 prices)	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	
34										
35	Approved CCRA Rates (July 1, 2008)	9.780	9.780	9.780	9.780	9.780	9.780	9.780	9.780	
36										
37	Cost of Gas Increase (Decrease)	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	
38										
39	Cost of Gas Percentage Increase (Decrease)	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	

Tab 2, Table A, Lower Mainland, Page 1

TERASEN GAS INC. - INLAND SERVICE AREA
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA
 FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
 \$000

TAB 2
 TABLE A
 INLAND
 PAGE 1.1
 August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total Inland	Total Sales LM & ING
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	(10)	(11)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	SUMMARY										
2											
3	Sales Volume (TJ)	13,837.6	4,418.9	1,391.6	470.6	13.2	20,131.9	81.3	5.5	20,218.7	92,503.3
4											
5	Gas Purchase Costs - \$000										
6	Commodity Costs	\$ 115,009.7	\$ 36,727.2	\$ 11,566.1	\$ 3,911.3	\$ 109.7	\$ 167,324.0	\$ 662.3	\$ 45.3	\$ 168,031.7	\$ 768,795.1
7	Unamortized Deficit (Surplus)	(6,964.2)	(2,224.0)	(700.4)	(236.8)	(6.6)	(10,132.0)	(40.1)		(10,172.1)	(46,545.0)
8	Hedge Loss (Gain)	1,473.1	470.4	148.1	50.1	1.4	2,143.2	8.5		2,151.6	9,845.3
9	Core Market Administrative Costs	96.4	30.8	9.7	3.3	0.1	140.2	0.6	-	140.8	644.1
10	Total Costs (Variable)	<u>\$ 109,614.9</u>	<u>\$ 35,004.4</u>	<u>\$ 11,023.6</u>	<u>\$ 3,727.9</u>	<u>\$ 104.6</u>	<u>\$ 159,475.3</u>	<u>\$ 631.3</u>	<u>\$ 45.3</u>	<u>\$ 160,151.9</u>	<u>\$ 732,739.5</u>
11											
12											
13											
14											
15											
16											
17	Unit Costs (\$/GJ)										
18	Commodity Costs	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114			
19	Unamortized Deficit (Surplus)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)			
20	Hedge Loss (Gain)	0.1065	0.1065	0.1065	0.1065	0.1065	0.1065	0.1065			
21	Core Market Administrative Costs	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070			
22	Total Costs (Variable)	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>			
23											
24											
25											
26											
27											
28											
29											
30											
31											
32	AVERAGE COST OF GAS - \$/GJ							Tariff Equal To Rate 5	Fixed Price Option Equal To Rate 5		
33	Forecast (CCRA with August 27, 2008 prices)	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922		
34											
35	Approved CCRA Rates (July 1, 2008)	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>	<u>9.780</u>		
36											
37	Cost of Gas Increase (Decrease)	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>		
38											
39	Cost of Gas Percentage Increase (Decrease)	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%		

Tab 2, Table A, Inland, Page 1.1

TERASEN GAS INC. - COLUMBIA SERVICE AREA
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - CCRA
 FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
 \$000

TAB 2
 TABLE A
 COLUMBIA
 PAGE 1.2
 August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential	Commercial			General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total Columbia	Total Sales LM, Inl & Col
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6	Rate 4		Rate 7	Sales	Serv. Areas	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	SUMMARY											
2												
3	Sales Volume (TJ)	1,398.0	549.6	175.3	52.0	-	2,174.9	-	-	2,174.9	94,678.2	
4												
5	Gas Purchase Costs - \$000											
6	Commodity Costs	\$ 11,619.3	\$ 4,567.9	\$ 1,457.0	\$ 432.2	\$ -	\$ 18,076.4	\$ -	\$ -	\$ 18,076.4	\$ 786,871.5	
7	Unamortized Deficit (Surplus)	(703.6)	(276.6)	(88.2)	(26.2)	-	(1,094.6)	-	-	(1,094.6)	(47,639.6)	
8	Hedge Loss (Gain)	148.8	58.5	18.7	5.5	-	231.5	-	-	231.5	10,076.8	
9	Core Market Administrative Costs	9.7	3.8	1.2	0.4	-	15.1	-	-	15.1	659.2	
10	Total Costs (Variable)	<u>\$ 11,074.3</u>	<u>\$ 4,353.7</u>	<u>\$ 1,388.6</u>	<u>\$ 411.9</u>	<u>\$ -</u>	<u>\$ 17,228.5</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,228.5</u>	<u>\$ 749,968.0</u>	
11												
12												
13												
14												
15												
16												
17	Unit Costs (\$/GJ)											
18	Commodity Costs	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114	\$ 8.3114				
19	Unamortized Deficit (Surplus)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)	(0.5033)				
20	Hedge Loss (Gain)	0.1065	0.1065	0.1065	0.1065	0.1065	0.1065	0.1065				
21	Core Market Administrative Costs	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070				
22	Total Costs (Variable)	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>	<u>\$ 7.9215</u>				
23												
24												
25												
26												
27												
28												
29												
30												
31												
32	AVERAGE COST OF GAS - \$/GJ								Tariff Equal To Rate 5	Fixed Price Option Equal To Rate 5		
33	Forecast (CCRA with August 27, 2008 prices)	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922	\$ 7.922		
34												
35	Approved CCRA Rates (July 1, 2008)	9.780	9.780	9.780	9.780	9.780	9.780	9.780	9.780	9.780		
36												
37	Cost of Gas Increase (Decrease)	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>	<u>\$ (1.858)</u>		
38												
39	Cost of Gas Percentage Increase (Decrease)	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%	-19.00%		

Tab 2, Table A, Columbia, Page 1.2

TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA
FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
\$000

TAB 2
 TABLE B
 LOWER MAINLAND
 PAGE 1
 August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential Rate 1	Commercial		General Firm Service	NGV Rate 6	Subtotal	Seasonal Rate 4	Large Industrial Interruptible Sales		Off-System Sales	Total LM Sales
			Rate 2	Rate 3	Rate 5				Rate 7	Rate 14 (Rate 10)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1	SUMMARY											
2												
3	Sales Volume (TJ)	53,941.9	17,527.6	12,992.5	2,939.2	86.4	87,487.5	80.0	10.9	542.5	28,674.2	116,795.1
4												
5	Gas Purchase Costs - \$000											
6	Commodity Costs	\$ 14,491.6	\$ 4,708.8	\$ 3,490.5	\$ 789.6	\$ 23.2	\$ 23,503.7	\$ 2.0	\$ 0.3	\$ 4,513.3	\$ 248,321.6	\$ 276,340.9
7	Commodity Tolls and Fees	639.4	207.8	154.0	34.8	1.0	1,037.0	0.3	0.0	82.4	4,393.0	5,512.7
8	Fixed Costs	<u>53,267.6</u>	<u>17,422.4</u>	<u>10,935.9</u>	<u>1,776.3</u>	<u>26.1</u>	<u>83,428.3</u>	-	-	-	-	<u>83,428.3</u>
9	Total Commodity & Demand	68,398.6	22,339.0	14,580.4	2,600.8	50.3	107,969.1	2.3	0.3	4,595.7	252,714.5	365,282.0
10	Amortization of Sept. 30, 2008 Adjusted Balance Fixed	19,033.2	6,225.3	3,907.6	634.7	9.3	29,810.1	-	0.0	0.0	0.0	29,810.1
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Resid. Migration Adj. from CCRA - Nov.1, 2007 Fixed	(1,584.9)	0.0	0.0	0.0	0.0	(1,584.9)	0.0	0.0	0.0	0.0	(1,584.9)
13	Core Market Administrative Costs - Fixed Cost	<u>742.4</u>	<u>242.8</u>	<u>152.4</u>	<u>24.8</u>	<u>0.4</u>	<u>1,162.8</u>	-	-	-	-	<u>1,162.8</u>
14		<u>\$ 86,589.4</u>	<u>\$ 28,807.1</u>	<u>\$ 18,640.4</u>	<u>\$ 3,260.2</u>	<u>\$ 60.0</u>	<u>\$ 137,357.1</u>	<u>\$ 2.3</u>	<u>\$ 0.3</u>	<u>\$ 4,595.7</u>	<u>\$ 252,714.5</u>	<u>\$ 394,670.0</u>
15												
16												
17	Unit Costs (\$/GJ)											
18	Commodity Costs	\$ 0.2687	\$ 0.2687	\$ 0.2687	\$ 0.2687	\$ 0.2687	\$ 0.2687					
19	Commodity Tolls and Fees	0.0119	0.0119	0.0119	0.0119	0.0119	0.0119					
20	Fixed Costs	<u>0.9875</u>	<u>0.9940</u>	<u>0.8417</u>	<u>0.6044</u>	<u>0.3022</u>	<u>0.9536</u>					
21	Commodity & Demand / GJ	1.2680	1.2745	1.1222	0.8849	0.5827	1.2341					
22	Amortization of Sept. 30, 2008 Adjusted Balance	0.3528	0.3552	0.3008	0.2159	0.1080	0.3407					
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-					
24	Resid. Migration Adj. from CCRA - Nov.1, 2007	(0.0294)	-	-	-	-	(0.0181)					
25	Core Market Administrative Costs - Fixed Cost	<u>0.0138</u>	<u>0.0139</u>	<u>0.0117</u>	<u>0.0084</u>	<u>0.0042</u>	<u>0.0133</u>					
26		<u>\$ 1.6052</u>	<u>\$ 1.6435</u>	<u>\$ 1.4347</u>	<u>\$ 1.1092</u>	<u>\$ 0.6949</u>	<u>\$ 1.5700</u>					
27												
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44												
45	Note:	Amortization of September 30, 2008 balance (Line 10) includes projected grossed-up (using 2008 tax rate) after-tax MCRA September 30, 2008 balance with recorded balance to July 31, 2008.										
46		The balance was adjusted for the residential migration adjustment from CCRA less nine months amortization, which is streamed and prorated separately to residential customers only.										

Tab 2, Table B, Lower Mainland, Page 1

TERASEN GAS INC. - INLAND SERVICE AREA
LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA
FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
\$000

TAB 2
 TABLE B
 INLAND
 PAGE 1.1
 August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales		Columbia	Total ING	Total Sales
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	Rate 14		Sales	LM & ING
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)	(9)	(10)	(11)	(12)
1	SUMMARY												
2													
3	Sales Volume (TJ)	16,496.6	5,916.7	2,152.4	470.6	13.2	25,049.5	81.3	5.5	225.5	6.0	25,367.8	142,162.9
4													
5	Gas Purchase Costs - \$000												
6	Commodity Costs	\$ 4,569.8	\$ 1,639.0	\$ 596.2	\$ 130.4	\$ 3.7	\$ 6,939.1	\$ 2.7	\$ 0.2	\$ 1,877.7	\$ 0.2	\$ 8,819.9	\$ 285,160.8
7	Commodity Tolls and Fees	195.6	70.2	25.5	5.6	0.2	297.0	0.3	0.0	34.1	0.0	331.4	5,844.2
8	Fixed Costs	15,832.1	5,715.7	1,760.7	276.4	3.8	23,588.7	-	-	-	-	23,588.7	107,017.0
9	Total Commodity & Demand	20,597.5	7,424.8	2,382.5	412.3	7.6	30,824.8	3.0	0.2	1,911.8	0.2	32,740.0	398,022.0
10	Amortization of Sept. 30, 2008 Adjusted Balanc Fixed	5,826.6	2,103.5	648.0	101.7	1.4	8,681.2	-	0.0	0.0	0.0	8,681.2	38,491.3
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
12	Resid. Migration Adj. from CCRA - Nov.1, 2007 Fixed	(485.2)	0.0	0.0	0.0	0.0	(485.2)	0.0	0.0	0.0	0.0	(485.2)	(2,070.1)
13	Core Market Administrative Costs - Fixed Cost	227.3	82.1	25.3	4.0	0.1	338.6	-	-	-	-	338.6	1,501.4
14		<u>\$ 26,166.2</u>	<u>\$ 9,610.4</u>	<u>\$ 3,055.8</u>	<u>\$ 518.0</u>	<u>\$ 9.0</u>	<u>\$ 39,359.4</u>	<u>\$ 3.0</u>	<u>\$ 0.2</u>	<u>\$ 1,911.8</u>	<u>\$ 0.2</u>	<u>\$ 41,274.6</u>	<u>\$ 435,944.6</u>
15													
16													
17	Unit Costs (\$/GJ)												
18	Commodity Costs	\$ 0.2770	\$ 0.2770	\$ 0.2770	\$ 0.2770	\$ 0.2770	\$ 0.2770						
19	Commodity Tolls and Fees	0.0119	0.0119	0.0119	0.0119	0.0119	0.0119						
20	Fixed Costs	0.9597	0.9660	0.8180	0.5873	0.2849	0.9417						
21	Commodity & Demand / GJ	1.2486	1.2549	1.1069	0.8762	0.5738	1.2306						
22	Amortization of Sept. 30, 2008 Adjusted Balance	0.3532	0.3555	0.3011	0.2162	0.1049	0.3466						
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-						
24	Resid. Migration Adj. from CCRA - Nov.1, 2007	(0.0294)	-	-	-	-	(0.0194)						
25	Core Market Administrative Costs - Fixed Cost	0.0138	0.0139	0.0117	0.0084	0.0041	0.0135						
26		<u>\$ 1.5862</u>	<u>\$ 1.6243</u>	<u>\$ 1.4197</u>	<u>\$ 1.1008</u>	<u>\$ 0.6828</u>	<u>\$ 1.5713</u>						

45 Note: Amortization of September 30, 2008 balance (Line 10) includes projected grossed-up (using 2008 tax rate) after-tax MCRA September 30, 2008 balance with recorded balance to July 31, 2008.
 46 The balance was adjusted for the residential migration adjustment from CCRA less nine months amortization, which is streamed and prorated separately to residential customers only.

Tab 2, Table B, Inland, Page 1.1

TERASEN GAS INC. - COLUMBIA SERVICE AREA
 LOWER MAINLAND/INLAND/COLUMBIA COST OF GAS BY RATE SCHEDULE - MCRA
 FORECAST FOR THE 12 MONTHS ENDING SEPTEMBER 30, 2009
 \$000

TAB 2
 TABLE B
 COLUMBIA
 PAGE 1.2

August 27, 2008 Forward Pricing
 October 1, 2008 - September 30, 2009 FI.

Line No.	Particulars	Residential	Commercial		General Firm Service	NGV	Subtotal	Seasonal	Large Industrial Interruptible Sales	Total Col. Sales	Total Sales LM, Inl & Col Serv. Areas
		Rate 1	Rate 2	Rate 3	Rate 5	Rate 6		Rate 4	Rate 7	(10)	(11)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	SUMMARY										
2											
3	Sales Volume (TJ)	1,687.5	725.6	224.9	52.0	-	2,689.9	-	-	2,689.9	144,852.8
4											
5	Gas Purchase Costs - \$000										
6	Commodity Costs	\$ 608.6	\$ 261.7	\$ 81.1	\$ 18.8	\$ -	\$ 970.1	\$ -	\$ -	\$ 970.1	286,130.9
7	Commodity Tolls and Fees	20.1	8.6	2.7	0.6	-	32.0	-	-	32.0	5,876.2
8	Fixed Costs	1,635.6	707.9	185.8	30.8	-	2,560.2	-	-	2,560.2	109,577.2
9	Total Commodity & Demand	2,264.3	978.2	269.6	50.2	-	3,562.3	-	-	3,562.3	401,584.3
10	Amortization of Sept. 30, 2008 Adjusted Balance Fixed	602.0	260.5	68.4	11.4	-	942.2	-	-	942.2	39,433.5
11	Hedge Loss (Gain) - Variable Cost	0.0	0.0	0.0	0.0	-	-	-	-	-	-
12	Resid. Migration Adj. from CCRA - Nov.1, 2007 Fixed	(50.1)	0.0	0.0	-	-	(50.1)	-	-	(50.1)	(2,120.2)
13	Core Market Administrative Costs - Fixed Cost	23.5	10.2	2.7	0.4	-	36.8	-	-	36.8	1,538.2
14		<u>\$ 2,839.6</u>	<u>\$ 1,248.9</u>	<u>\$ 340.7</u>	<u>\$ 62.0</u>	<u>\$ -</u>	<u>\$ 4,491.1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,491.1</u>	<u>\$ 440,435.7</u>
15											
16											
17	Unit Costs (\$/GJ)										
18	Commodity Costs	\$ 0.3606	\$ 0.3606	\$ 0.3606	\$ 0.3606	\$ 0.2770	\$ 0.3606				
19	Commodity Tolls and Fees	0.0119	0.0119	0.0119	0.0119	0.0119	0.0119				
20	Fixed Costs	0.9693	0.9757	0.8262	0.5932	0.2849	0.9518				
21	Commodity & Demand / GJ	1.3418	1.3482	1.1987	0.9657	0.5738	1.3243				
22	Amortization of Sept. 30, 2008 Adjusted Balance	0.3567	0.3591	0.3041	0.2183	0.1049	0.3503				
23	Hedge Loss (Gain) - Variable Cost	-	-	-	-	-	-				
24	Resid. Migration Adj. from CCRA - Nov.1, 2007	(0.0297)	-	-	-	-	(0.0186)				
25	Core Market Administrative Costs - Fixed Cost	0.0139	0.0140	0.0119	0.0085	0.0041	0.0137				
26		<u>\$ 1.6827</u>	<u>\$ 1.7213</u>	<u>\$ 1.5146</u>	<u>\$ 1.1926</u>	<u>\$ 0.6828</u>	<u>\$ 1.6696</u>				

Tab 2, Table B, Columbia, Page 1.2

45 Note: Amortization of September 30, 2008 balance (Line 10) includes projected grossed-up (using 2008 tax rate) after-tax MCRA September 30, 2008 balance with recorded balance to July 31, 2008.
 46 The balance was adjusted for the residential migration adjustment from CCRA less nine months amortization, which is streamed and prorated separately to residential customers only.

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
BCUC CCRA/MCRA GAS COST GUIDELINES
CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)
 (\$ Millions)
 August 27, 2008 Forward Curve

Line No.	Particulars	Recorded Previous Qtr Apr-Jun	2008 Recorded Jul	2008 Proj Aug	2008 Proj Sep	2008 Forec Oct	2008 Forec Nov	2008 Forec Dec	2009 Forec Jan	2009 Forec Feb	2009 Forec Mar	2009 Forec Apr	2009 Forec May	2009 Forec Jun	2009 Forec Jul	2009 Forec Aug	2009 Forec Sep	Total Oct-Sep
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	CCRA Forecast (at proposed rates)																	
2	CCRA Balance, Beginning ^(1*)	\$ (19)	\$ 1	\$ (12)	\$ (26)	\$ (48)	\$ (50)	\$ (43)	\$ (33)	\$ (23)	\$ (14)	\$ (4)	\$ (5)	\$ (4)	\$ (4)	\$ (3)	\$ (1)	\$ (47)
3																		
4	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 224	\$ 76	\$ 65	\$ 57	62	68	73	74	67	73	61	64	62	65	65	63	798
5																		
6	Revenue From Commodity Cost Recovery Rates	\$ (203)	\$ (89)	\$ (80)	\$ (78)	(64)	(62)	(64)	(64)	(58)	(64)	(62)	(64)	(62)	(64)	(64)	(62)	(750)
7																		
8																		
9	CCRA Balance, Ending - Pre Tax ^(2*)	\$ 1	\$ (12)	\$ (26)	\$ (48)	\$ (50)	\$ (43)	\$ (34)	\$ (23)	\$ (14)	\$ (4)	\$ (5)	\$ (4)	\$ (4)	\$ (3)	\$ (1)	\$ 0	\$ 0
10																		
11	CCRA Balance, Ending - After Tax ^(3*)	\$ 1	\$ (8)	\$ (18)	\$ (33)	\$ (34)	\$ (30)	\$ (23)	\$ (16)	\$ (9)	\$ (3)	\$ (3)	\$ (3)	\$ (3)	\$ (2)	\$ (1)	\$ 0	\$ 0
12																		
13	MCRA Forecast (at existing rates)																	
14	MCRA Balance, Beginning ^(1*)	\$ 19	\$ (23)	\$ (9)	\$ 17	\$ 39	\$ 42	\$ 39	\$ 24	\$ 12	\$ 4	\$ (1)	\$ (2)	\$ 2	\$ 13	\$ 26	\$ 39	\$ 39
15																		
16	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 42	\$ 42	\$ (15)	\$ (9)	11	84	108	111	100	83	11	(14)	(21)	(26)	(26)	(15)	405
17																		
18	Revenue From Commodity Cost Recovery Rates	\$ (84)	\$ (29)	\$ 41	\$ 34	(8)	(87)	(123)	(123)	(107)	(88)	(11)	18	32	39	39	26	(395)
19																		
20																		
21	MCRA Balance, Ending - Pre Tax ^(2*)	\$ (23)	\$ (9)	\$ 17	\$ 39	\$ 42	\$ 39	\$ 24	\$ 12	\$ 4	\$ (1)	\$ (2)	\$ 2	\$ 13	\$ 26	\$ 39	\$ 49	\$ 49
22																		
23	MCRA Balance, Ending - After Tax ^(3*)	\$ (16)	\$ (7)	\$ 12	\$ 27	\$ 29	\$ 27	\$ 17	\$ 8	\$ 3	\$ (1)	\$ (1)	\$ 2	\$ 9	\$ 18	\$ 27	\$ 35	\$ 35
24																		
25	Combined CCRA and MCRA Forecast (at proposed rates)																	
26																		
27	Combined Balance, Beginning ^(1*)	\$ (1)	\$ (22)	\$ (21)	\$ (9)	\$ (8)	\$ (7)	\$ (4)	\$ (9)	\$ (11)	\$ (9)	\$ (6)	\$ (7)	\$ (2)	\$ 10	\$ 23	\$ 37	\$ (8)
28																		
29	Gas Costs Incurred (Incl. Hedging, etc.)	\$ 266	\$ 118	51	48	72	153	181	185	167	156	72	50	41	38	39	48	1,203
30																		
31	Revenue From Commodity Cost Recovery Rates	\$ (287)	\$ (118)	(39)	(43)	(72)	(149)	(187)	(187)	(165)	(152)	(73)	(46)	(29)	(25)	(25)	(36)	(1,145)
32																		
33																		
34	Combined Balance, Ending - Pre Tax ^(2*)	\$ (22)	\$ (21)	(9)	(8)	(7)	(4)	(9)	(11)	(9)	(6)	(7)	(2)	10	23	37	50	50
35																		
36	Combined Balance, Ending - After Tax ^(3*)	\$ (15)	\$ (15)	(7)	(6)	(5)	(2)	(6)	(8)	(6)	(4)	(5)	(1)	7	16	26	35	35
37																		

Notes: Slight differences in totals due to rounding.

(1*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts (January 1, 2008, 31.0%; January 1, 2009, 30.0%; and January 1, 2010, 29.0%).

(2*) For budget purposes, the MCRA/CCRA pre tax balances include grossed up projected deferred interest as at Sept 30, 2008.

(3*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

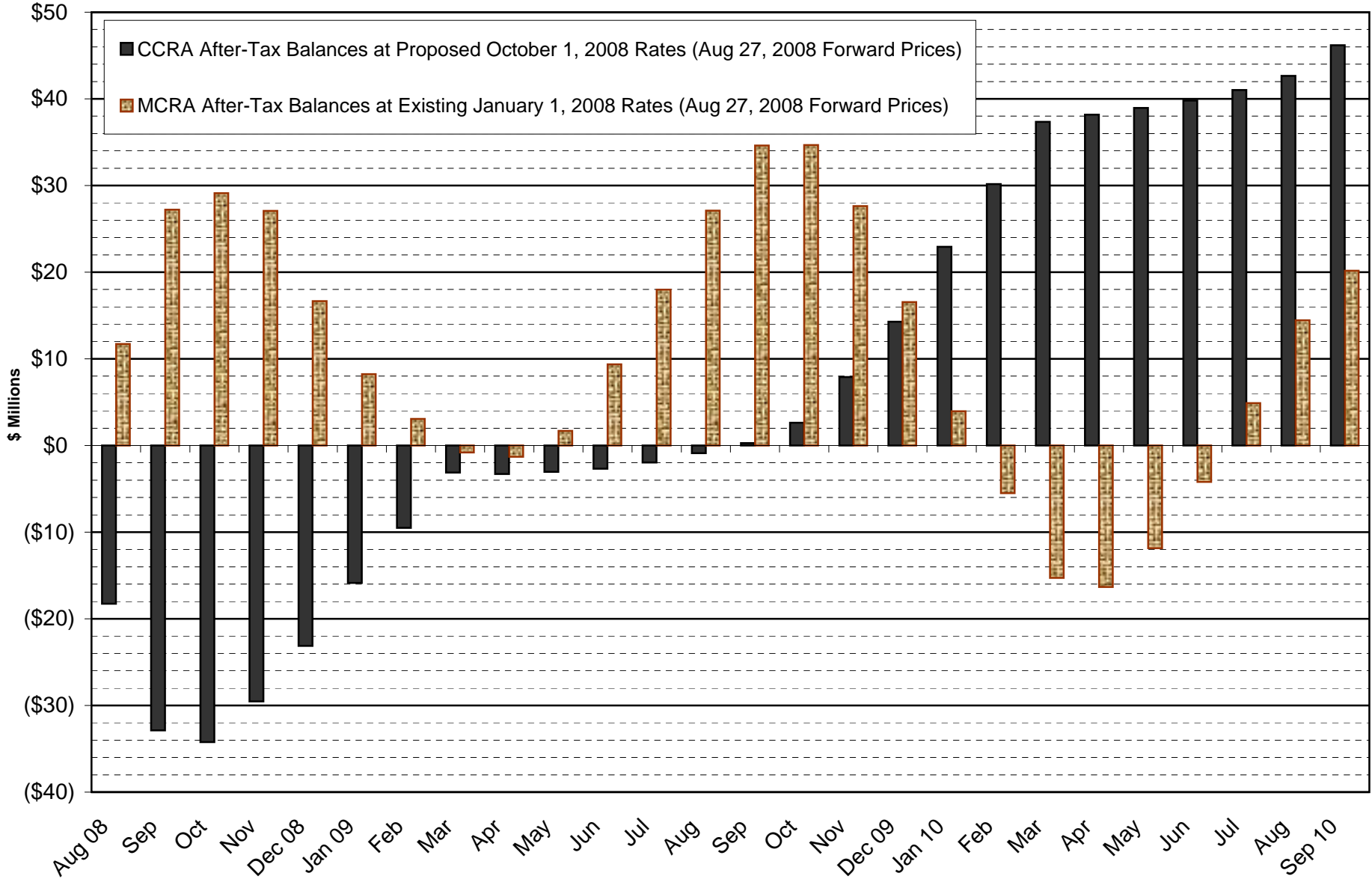
TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
BCUC CCRA/MCRA GAS COST GUIDELINES
CCRA & MCRA ACTIVITY AND CURRENT FORECAST (After Monthly Volume Adjustments)
 (\$ Millions)
 August 27, 2008 Forward Curve

Line No.	Particulars	12 Month To Sep 30, 2009 Forecast	2009 Forec Oct	2009 Forec Nov	2009 Forec Dec	2010 Forec Jan	2010 Forec Feb	2010 Forec Mar	2010 Forec Apr	2010 Forec May	2010 Forec Jun	2010 Forec Jul	2010 Forec Aug	2010 Forec Sep	12 Month To Sep 30, 2010 Forecast	24 Month To Sep 30, 2010 Forecast
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	CCRA Forecast (at proposed rates)															
2	CCRA Balance, Beginning ^(1*)	\$ (47)	\$ 0	\$ 4	\$ 11	\$ 20	\$ 32	\$ 42	\$ 53	\$ 54	\$ 55	\$ 56	\$ 58	\$ 60	\$ 0	\$ (47)
3																
4	Gas Costs Incurred (Incl. Hedging, etc.)	798	67	69	73	76	68	74	63	65	63	65	66	66	813	1,610
5																
6	Revenue From Commodity Cost Recovery Rates	(750)	(64)	(61)	(64)	(64)	(57)	(64)	(61)	(64)	(61)	(64)	(64)	(61)	(748)	(1,498)
7																
8																
9	CCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ 0</u>	<u>\$ 4</u>	<u>\$ 11</u>	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 42</u>	<u>\$ 53</u>	<u>\$ 54</u>	<u>\$ 55</u>	<u>\$ 56</u>	<u>\$ 58</u>	<u>\$ 60</u>	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ 65</u>
10																
11	CCRA Balance, Ending - After Tax ^(3*)	<u>\$ 0</u>	<u>\$ 3</u>	<u>\$ 8</u>	<u>\$ 14</u>	<u>\$ 23</u>	<u>\$ 30</u>	<u>\$ 37</u>	<u>\$ 38</u>	<u>\$ 39</u>	<u>\$ 40</u>	<u>\$ 41</u>	<u>\$ 43</u>	<u>\$ 46</u>	<u>\$ 46</u>	<u>\$ 46</u>
12																
13	MCRA Forecast (at existing rates)															
14	MCRA Balance, Beginning ^(1*)	\$ 39	\$ 49	\$ 50	\$ 39	\$ 23	\$ 6	\$ (8)	\$ (21)	\$ (23)	\$ (17)	\$ (6)	\$ 7	\$ 20	\$ 49	\$ 39
15																
16	Gas Costs Incurred (Incl. Hedging, etc.)	405	16	94	116	115	106	89	18	(12)	(23)	(25)	(24)	(23)	448	853
17																
18	Revenue From Commodity Cost Recovery Rates	(395)	(16)	(105)	(132)	(133)	(119)	(103)	(20)	18	34	38	38	31	(469)	(863)
19																
20																
21	MCRA Balance, Ending - Pre Tax ^(2*)	<u>\$ 49</u>	<u>\$ 50</u>	<u>\$ 39</u>	<u>\$ 24</u>	<u>\$ 6</u>	<u>\$ (8)</u>	<u>\$ (21)</u>	<u>\$ (23)</u>	<u>\$ (17)</u>	<u>\$ (6)</u>	<u>\$ 7</u>	<u>\$ 20</u>	<u>\$ 28</u>	<u>\$ 29</u>	<u>\$ 29</u>
22																
23	MCRA Balance, Ending - After Tax ^(3*)	<u>\$ 35</u>	<u>\$ 35</u>	<u>\$ 28</u>	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ (6)</u>	<u>\$ (15)</u>	<u>\$ (16)</u>	<u>\$ (12)</u>	<u>\$ (4)</u>	<u>\$ 5</u>	<u>\$ 14</u>	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>
24																
25	Combined CCRA and MCRA Forecast (at proposed rates)															
26																
27	Combined Balance, Beginning ^(1*)	\$ (8)	\$ 50	\$ 53	\$ 51	\$ 43	\$ 38	\$ 35	\$ 31	\$ 31	\$ 38	\$ 50	\$ 65	\$ 80	\$ 50	\$ (8)
28																
29	Gas Costs Incurred (Incl. Hedging, etc.)	1,203	83	164	189	191	173	162	81	53	40	40	42	44	1,261	2,463
30																
31	Revenue From Commodity Cost Recovery Rates	(1,145)	(79)	(166)	(195)	(197)	(176)	(166)	(81)	(46)	(28)	(25)	(26)	(31)	(1,216)	(2,361)
32																
33																
34	Combined Balance, Ending - Pre Tax ^(2*)	<u>\$ 50</u>	<u>\$ 53</u>	<u>\$ 51</u>	<u>\$ 44</u>	<u>\$ 38</u>	<u>\$ 35</u>	<u>\$ 31</u>	<u>\$ 31</u>	<u>\$ 38</u>	<u>\$ 50</u>	<u>\$ 65</u>	<u>\$ 80</u>	<u>\$ 93</u>	<u>\$ 94</u>	<u>\$ 94</u>
35																
36	Combined Balance, Ending - After Tax ^(3*)	<u>\$ 35</u>	<u>\$ 37</u>	<u>\$ 36</u>	<u>\$ 31</u>	<u>\$ 27</u>	<u>\$ 25</u>	<u>\$ 22</u>	<u>\$ 22</u>	<u>\$ 27</u>	<u>\$ 36</u>	<u>\$ 46</u>	<u>\$ 57</u>	<u>\$ 66</u>	<u>\$ 66</u>	<u>\$ 66</u>
37																

Notes: Slight differences in totals due to rounding.
 (1*) Pre-tax opening balances have been restated based on current income tax rates, to reflect grossed-up after tax amounts (January 1, 2008, 31.0%; January 1, 2009, 30.0%; and January 1, 2010, 29.0%).
 (2*) For budget purposes, the MCRA/CCRA pre tax balances include grossed up projected deferred interest as at Sept 30, 2008.
 (3*) For rate setting purposes, the MCRA/CCRA after tax balances are independently grossed up to reflect pre-tax amounts.

Terasen Gas Inc.
 Lower Mainland, Inland and Columbia CCRA and MCRA Month-end Balances (After-Tax)
 Recorded to July 31, 2008 and Estimate to September 30, 2010

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TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
 PROPOSED OCTOBER 1, 2008 RATES
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TAB 4
 PAGE 1
 SCHEDULE 1

RATE SCHEDULE 1: RESIDENTIAL SERVICE		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$11.13	\$11.13	\$11.13	\$0.00	\$0.00	\$0.00	\$11.13	\$11.13	\$11.13
3										
4	Delivery Charge per GJ	\$2.783	\$2.783	\$2.783	\$0.000	\$0.000	\$0.000	\$2.783	\$2.783	\$2.783
5	Rider 3 ESM	(\$0.127)	(\$0.127)	(\$0.127)	\$0.000	\$0.000	\$0.000	(\$0.127)	(\$0.127)	(\$0.127)
6	Rider 4 Lochburn Land Sale Rebate	(\$0.022)	(\$0.022)	(\$0.022)	\$0.000	\$0.000	\$0.000	(\$0.022)	(\$0.022)	(\$0.022)
7	Rider 5 RSAM	\$0.094	\$0.094	\$0.094	\$0.000	\$0.000	\$0.000	\$0.094	\$0.094	\$0.094
8	Subtotal Delivery Margin Related Charges per GJ	\$2.728	\$2.728	\$2.728	\$0.000	\$0.000	\$0.000	\$2.728	\$2.728	\$2.728
9										
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge per GJ	\$1.209	\$1.186	\$1.265	\$0.000	\$0.000	\$0.000	\$1.209	\$1.186	\$1.265
13	Rider 8 Unbundling Recovery	\$0.117	\$0.117	\$0.117	\$0.000	\$0.000	\$0.000	\$0.117	\$0.117	\$0.117
14	Subtotal Midstream Related Charges per GJ	\$1.326	\$1.303	\$1.382	\$0.000	\$0.000	\$0.000	\$1.326	\$1.303	\$1.382
15										
16	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		\$10.406			\$1.858			\$12.264	
20										
21										
22	Cost of Gas Recovery Related Charges for Revelstoke		\$21.372			\$0.000			\$21.372	
23	per GJ (Includes Rider 1, excludes Riders 8)									

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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 SCHEDULE 2

RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$23.35	\$23.35	\$23.35	\$0.00	\$0.00	\$0.00	\$23.35	\$23.35	\$23.35
3										
4	Delivery Charge per GJ	\$2.330	\$2.330	\$2.330	\$0.000	\$0.000	\$0.000	\$2.330	\$2.330	\$2.330
5	Rider 3 ESM	(\$0.098)	(\$0.098)	(\$0.098)	\$0.000	\$0.000	\$0.000	(\$0.098)	(\$0.098)	(\$0.098)
6	Rider 4 Lochburn Land Sale Rebate	(\$0.017)	(\$0.017)	(\$0.017)	\$0.000	\$0.000	\$0.000	(\$0.017)	(\$0.017)	(\$0.017)
7	Rider 5 RSAM	\$0.094	\$0.094	\$0.094	\$0.000	\$0.000	\$0.000	\$0.094	\$0.094	\$0.094
8	Subtotal Delivery Margin Related Charges per GJ	\$2.309	\$2.309	\$2.309	\$0.000	\$0.000	\$0.000	\$2.309	\$2.309	\$2.309
9										
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge per GJ	\$1.303	\$1.279	\$1.359	\$0.000	\$0.000	\$0.000	\$1.303	\$1.279	\$1.359
13	Rider 8 Unbundling Recovery	\$0.047	\$0.047	\$0.047	\$0.000	\$0.000	\$0.000	\$0.047	\$0.047	\$0.047
14	Subtotal Midstream Related Charges per GJ	\$1.350	\$1.326	\$1.406	\$0.000	\$0.000	\$0.000	\$1.350	\$1.326	\$1.406
15										
16	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		\$9.222			\$1.858			\$11.080	
20										
21										
22	Cost of Gas Recovery Related Charges for Revelstoke		\$20.281			\$0.000			\$20.281	
23	per GJ (Includes Rider 1, excludes Rider 8)									

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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 SCHEDULE 3

RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$124.58	\$124.58	\$124.58	\$0.00	\$0.00	\$0.00	\$124.58	\$124.58	\$124.58
3										
4	Delivery Charge per GJ	\$2.008	\$2.008	\$2.008	\$0.000	\$0.000	\$0.000	\$2.008	\$2.008	\$2.008
5	Rider 3 ESM	(\$0.075)	(\$0.075)	(\$0.075)	\$0.000	\$0.000	\$0.000	(\$0.075)	(\$0.075)	(\$0.075)
6	Rider 4 Lochburn Land Sale Rebate	(\$0.013)	(\$0.013)	(\$0.013)	\$0.000	\$0.000	\$0.000	(\$0.013)	(\$0.013)	(\$0.013)
7	Rider 5 RSAM	\$0.094	\$0.094	\$0.094	\$0.000	\$0.000	\$0.000	\$0.094	\$0.094	\$0.094
8	Subtotal Midstream Related Charges per GJ	\$2.014	\$2.014	\$2.014	\$0.000	\$0.000	\$0.000	\$2.014	\$2.014	\$2.014
9										
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge per GJ	\$1.115	\$1.096	\$1.175	\$0.000	\$0.000	\$0.000	\$1.115	\$1.096	\$1.175
13	Rider 8 Unbundling Recovery	\$0.047	\$0.047	\$0.047	\$0.000	\$0.000	\$0.000	\$0.047	\$0.047	\$0.047
14	Subtotal Midstream Related Charges per GJ	\$1.162	\$1.143	\$1.222	\$0.000	\$0.000	\$0.000	\$1.162	\$1.143	\$1.222
15										
16	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		\$9.405			\$1.858			\$11.263	
20										
21										
22	Cost of Gas Recovery Related Charges for Revelstoke		\$20.281			\$0.000			\$20.281	
23	per GJ (Includes Rider 1, excludes Rider 8)									

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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TAB 4
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 SCHEDULE 4

RATE SCHEDULE 4: SEASONAL SERVICE		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$413.00	\$413.00	\$413.00	\$0.00	\$0.00	\$0.00	\$413.00	\$413.00	\$413.00
3										
4	Delivery Charge per GJ									
5	(a) Off-Peak Period	\$0.717	\$0.717	\$0.717	\$0.000	\$0.000	\$0.000	\$0.717	\$0.717	\$0.717
6	(b) Extension Period	\$1.446	\$1.446	\$1.446	\$0.000	\$0.000	\$0.000	\$1.446	\$1.446	\$1.446
7										
8	Rider 3 ESM	(\$0.043)	(\$0.043)	(\$0.043)	\$0.000	\$0.000	\$0.000	(\$0.043)	(\$0.043)	(\$0.043)
9	Rider 4 Lochburn Land Sale Rebate	(\$0.006)	(\$0.006)	(\$0.006)	\$0.000	\$0.000	\$0.000	(\$0.006)	(\$0.006)	(\$0.006)
10										
11	<u>Commodity Related Charges</u>									
12	Commodity Cost Recovery Charge									
13	(a) Off-Peak Period	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
14	(b) Extension Period	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
15										
16	Midstream Cost Recovery Charge per GJ									
17	(a) Off-Peak Period	\$0.823	\$0.812	\$0.887	\$0.000	\$0.000	\$0.000	\$0.823	\$0.812	\$0.887
18	(b) Extension Period	\$0.823	\$0.812	\$0.887	\$0.000	\$0.000	\$0.000	\$0.823	\$0.812	\$0.887
19										
20										
21	Subtotal Off -Peak Commodity Related Charges per GJ									
22	(a) Off-Peak Period	\$10.603	\$10.592	\$10.667	(\$1.858)	(\$1.858)	(\$1.858)	\$8.745	\$8.734	\$8.809
23	(b) Extension Period	\$10.603	\$10.592	\$10.667	(\$1.858)	(\$1.858)	(\$1.858)	\$8.745	\$8.734	\$8.809
24										
25										
26										
27	Unauthorized Gas Charge per gigajoule	Balancing, Backstopping and UOR per BCUC Order			Balancing, Backstopping and UOR per BCUC			Balancing, Backstopping and UOR per BCUC		
28	during peak period	No. G-110-00.			No. G-110-00.			No. G-110-00.		
29										
30										
31	Total Variable Cost per gigajoule between									
32	(a) Off-Peak Period	\$11.271	\$11.260	\$11.335	(\$1.858)	(\$1.858)	(\$1.858)	\$9.413	\$9.402	\$9.477
33	(b) Extension Period	\$12.000	\$11.989	\$12.064	(\$1.858)	(\$1.858)	(\$1.858)	\$10.142	\$10.131	\$10.206

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
 PROPOSED OCTOBER 1, 2008 RATES
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RATE SCHEDULE 5 GENERAL FIRM SERVICE		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$551.00	\$551.00	\$551.00	\$0.00	\$0.00	\$0.00	\$551.00	\$551.00	\$551.00
3										
4	Demand Charge per gigajoule	\$13.776	\$13.776	\$13.776	\$0.000	\$0.000	\$0.000	\$13.776	\$13.776	\$13.776
5										
6	Delivery Charge per GJ	\$0.557	\$0.557	\$0.557	\$0.000	\$0.000	\$0.000	\$0.557	\$0.557	\$0.557
7										
8	Rider 3 ESM	(\$0.054)	(\$0.054)	(\$0.054)	\$0.000	\$0.000	\$0.000	(\$0.054)	(\$0.054)	(\$0.054)
9	Rider 4 Lochburn Land Sale Rebate	(\$0.009)	(\$0.009)	(\$0.009)	\$0.000	\$0.000	\$0.000	(\$0.009)	(\$0.009)	(\$0.009)
10										
11										
12	<u>Commodity Related Charges</u>									
13	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
14	Midstream Cost Recovery Charge per GJ	\$0.823	\$0.812	\$0.887	\$0.000	\$0.000	\$0.000	\$0.823	\$0.812	\$0.887
15	Subtotal Commodity Related Charges per GJ	\$10.603	\$10.592	\$10.667	(\$1.858)	(\$1.858)	(\$1.858)	\$8.745	\$8.734	\$8.809
16										
17										
18										
19	Total Variable Cost per gigajoule	<u>\$11.097</u>	<u>\$11.086</u>	<u>\$11.161</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>\$9.239</u>	<u>\$9.228</u>	<u>\$9.303</u>

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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TAB 4
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 SCHEDULE 6

RATE SCHEDULE 6: NGV - STATIONS		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$58.00	\$58.00	\$58.00	\$0.00	\$0.00	\$0.00	\$58.00	\$58.00	\$58.00
3										
4	Delivery Charge per GJ	\$3.194	\$3.194	\$3.194	\$0.000	\$0.000	\$0.000	\$3.194	\$3.194	\$3.194
5										
6	Rider 3 ESM	(\$0.100)	(\$0.100)	(\$0.100)	\$0.000	\$0.000	\$0.000	(\$0.100)	(\$0.100)	(\$0.100)
7	Rider 4 Lochburn Land Sale Rebate	(\$0.020)	(\$0.020)	(\$0.020)	\$0.000	\$0.000	\$0.000	(\$0.020)	(\$0.020)	(\$0.020)
8										
9										
10	<u>Commodity Related Charges</u>									
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
12	Midstream Cost Recovery Charge per GJ	\$0.452	\$0.431	\$0.431	\$0.000	\$0.000	\$0.000	\$0.452	\$0.431	\$0.431
13	Subtotal Commodity Related Charges per GJ	\$10.232	\$10.211	\$10.211	(\$1.858)	(\$1.858)	(\$1.858)	\$8.374	\$8.353	\$8.353
14										
15										
16	Total Variable Cost per gigajoule	<u>\$13.306</u>	<u>\$13.285</u>	<u>\$13.285</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>\$11.448</u>	<u>\$11.427</u>	<u>\$11.427</u>

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
 PROPOSED OCTOBER 1, 2008 RATES
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TAB 4
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 SCHEDULE 6A

**RATE SCHEDULE 6A:
 NGV - VRA's**

Line No.	Particulars	COMMODITY		
		EXISTING JULY 1, 2008 RATES	RELATED CHARGES CHANGES	PROPOSED OCTOBER 1, 2008 RATES
	(1)	(2)	(3)	(4)
1	LOWER MAINLAND SERVICE AREA			
2				
3	<u>Delivery Margin Related Charges</u>			
4	Basic Charge per month	\$81.00	\$0.00	\$81.00
5				
6	Delivery Charge per GJ	\$3.156	\$0.000	\$3.156
7	Rider 3 ESM	(\$0.100)	\$0.000	(\$0.100)
8	Rider 4 Lochburn Land Sale Rebate	(\$0.020)	\$0.000	(\$0.020)
9				
10				
11	<u>Commodity Related Charges</u>			
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	(\$1.858)	\$7.922
13	Midstream Cost Recovery Charge per GJ	\$0.452	\$0.000	\$0.452
14	Subtotal Commodity Related Charges per GJ	<u>\$10.232</u>	<u>(\$1.858)</u>	<u>\$8.374</u>
15				
16	Compression Charge per gigajoule	\$5.28	\$0.000	\$5.28
17				
18				
19	Minimum Charges	\$125.00	\$0.00	\$125.00
20				
21				
22				
23	Total Variable Cost per gigajoule	<u><u>\$18.548</u></u>	<u><u>(\$1.858)</u></u>	<u><u>\$16.690</u></u>

TERASEN GAS INC.
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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TAB 4
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 SCHEDULE 7

RATE SCHEDULE 7: INTERRUPTIBLE SALES		EXISTING JULY 1, 2008 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED OCTOBER 1, 2008 RATES		
Line No.	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	<u>Delivery Margin Related Charges</u>									
2	Basic Charge per month	\$827.00	\$827.00	\$827.00	\$0.00	\$0.00	\$0.00	\$827.00	\$827.00	\$827.00
3										
4	Delivery Charge per GJ	\$0.931	\$0.931	\$0.931	\$0.000	\$0.000	\$0.000	\$0.931	\$0.931	\$0.931
5										
6	Rider 3 ESM	(\$0.034)	(\$0.034)	(\$0.034)	\$0.000	\$0.000	\$0.000	(\$0.034)	(\$0.034)	(\$0.034)
7	Rider 4 Lochburn Land Sale Rebate	(\$0.006)	(\$0.006)	(\$0.006)	\$0.000	\$0.000	\$0.000	(\$0.006)	(\$0.006)	(\$0.006)
8										
9	<u>Commodity Related Charges</u>									
10	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$9.780	\$9.780	\$9.780	(\$1.858)	(\$1.858)	(\$1.858)	\$7.922	\$7.922	\$7.922
11	Midstream Cost Recovery Charge per GJ	\$0.823	\$0.812	\$0.887	\$0.000	\$0.000	\$0.000	\$0.823	\$0.812	\$0.887
12	Subtotal Commodity Related Charges per GJ	\$10.603	\$10.592	\$10.667	(\$1.858)	(\$1.858)	(\$1.858)	\$8.745	\$8.734	\$8.809
13										
14										
15										
16	Charges per gigajoule for UOR Gas	Balancing, Backstopping and UOR per BCUC Order No. G-110-00.			Balancing, Backstopping and UOR per BCUC Order No. G-110-00.					
17										
18										
19										
20										
21										
22	Total Variable Cost per gigajoule	<u>\$11.494</u>	<u>\$11.483</u>	<u>\$11.558</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>(\$1.858)</u>	<u>\$9.636</u>	<u>\$9.625</u>	<u>\$9.700</u>

RATE SCHEDULE 1 - RESIDENTIAL SERVICE

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	LOWER MAINLAND SERVICE AREA									
2	<u>Delivery Margin Related Charges</u>									
3	Basic Charge	12 months x	\$11.13 =	\$133.56	12 months x	\$11.13 =	\$133.56	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	110.0 GJ x	\$2.783 =	306.1300	110.0 GJ x	\$2.783 =	306.1300	\$0.000	0.0000	0.00%
6	Rider 3 ESM	110.0 GJ x	(\$0.127) =	(13.9700)	110.0 GJ x	(\$0.127) =	(13.9700)	\$0.000	0.00	0.00%
7	Rider 4 Lochburn Land Sale Rebate	110.0 GJ x	(\$0.022) =	(2.4200)	110.0 GJ x	(\$0.022) =	(2.4200)	\$0.000	0.00	0.00%
8	Rider 5 RSAM	110.0 GJ x	\$0.094 =	10.3400	110.0 GJ x	\$0.094 =	10.3400	\$0.000	0.00	0.00%
9	Subtotal Delivery Margin Related Charges			<u>\$433.64</u>			<u>\$433.64</u>		<u>\$0.00</u>	<u>0.00%</u>
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge	110.0 GJ x	\$1.209 =	132.9900	110.0 GJ x	\$1.209 =	132.9900	\$0.000	0.0000	0.00%
13	Rider 8 Unbundling Recovery	110.0 GJ x	\$0.117 =	12.8700	110.0 GJ x	\$0.117 =	12.8700	\$0.000	0.00	0.00%
14	Midstream Related Charges Subtotal			<u>\$145.86</u>			<u>\$145.86</u>		<u>\$0.00</u>	<u>0.00%</u>
15										
16	Cost of Gas (Commodity Cost Recovery Charge)	110.0 GJ x	\$9.780 =	\$1,075.80	110.0 GJ x	\$7.922 =	\$871.42	(\$1.858)	(\$204.38)	-12.35%
17	Subtotal Commodity Related Charges			<u>\$1,221.66</u>			<u>\$1,017.28</u>		<u>(\$204.38)</u>	<u>-12.35%</u>
18										
19	Total (with effective \$/GJ rate)	110.0	\$15.048	<u>\$1,655.30</u>	110.0	\$13.190	<u>\$1,450.92</u>	(\$1.858)	<u>(\$204.38)</u>	<u>-12.35%</u>
20										
21	INLAND SERVICE AREA									
22	<u>Delivery Margin Related Charges</u>									
23	Basic Charge	12 months x	\$11.13 =	\$133.56	12 months x	\$11.13 =	\$133.56	\$0.00	\$0.00	0.00%
24										
25	Delivery Charge	95.0 GJ x	\$2.783 =	264.3850	95.0 GJ x	\$2.783 =	264.3850	\$0.000	0.0000	0.00%
26	Rider 3 ESM	95.0 GJ x	(\$0.127) =	(12.0650)	95.0 GJ x	(\$0.127) =	(12.0650)	\$0.000	0.00	0.00%
27	Rider 4 Lochburn Land Sale Rebate	95.0 GJ x	(\$0.022) =	(2.0900)	95.0 GJ x	(\$0.022) =	(2.0900)	\$0.000	0.00	0.00%
28	Rider 5 RSAM	95.0 GJ x	\$0.094 =	8.9300	95.0 GJ x	\$0.094 =	8.9300	\$0.000	0.00	0.00%
29	Subtotal Delivery Margin Related Charges			<u>\$392.72</u>			<u>\$392.72</u>		<u>\$0.00</u>	<u>0.00%</u>
30										
31	<u>Commodity Related Charges</u>									
32	Midstream Cost Recovery Charge	95.0 GJ x	\$1.186 =	112.6700	95.0 GJ x	\$1.186 =	112.6700	\$0.000	0.0000	0.00%
33	Rider 8 Unbundling Recovery	95.0 GJ x	\$0.117 =	11.1150	95.0 GJ x	\$0.117 =	11.1150	\$0.000	0.00	0.00%
34	Midstream Related Charges Subtotal			<u>\$123.79</u>			<u>\$123.79</u>		<u>\$0.00</u>	<u>0.00%</u>
35										
36	Cost of Gas (Commodity Cost Recovery Charge)	95.0 GJ x	\$9.780 =	\$929.10	95.0 GJ x	\$7.922 =	\$752.59	(\$1.858)	(\$176.51)	-12.21%
37	Subtotal Commodity Related Charges			<u>\$1,052.89</u>			<u>\$876.38</u>		<u>(\$176.51)</u>	<u>-12.21%</u>
38										
39	Total (with effective \$/GJ rate)	95.0	\$15.217	<u>\$1,445.61</u>	95.0	\$13.359	<u>\$1,269.10</u>	(\$1.858)	<u>(\$176.51)</u>	<u>-12.21%</u>
40										
41	COLUMBIA SERVICE AREA									
42	<u>Delivery Margin Related Charges</u>									
43	Basic Charge	12 months x	\$11.13 =	\$133.56	12 months x	\$11.13 =	\$133.56	\$0.00	\$0.00	0.00%
44										
44	Delivery Charge	110.0 GJ x	\$2.783 =	306.1300	110.0 GJ x	\$2.783 =	306.1300	\$0.000	0.0000	0.00%
45	Rider 3 ESM	110.0 GJ x	(\$0.127) =	(13.9700)	110.0 GJ x	(\$0.127) =	(13.9700)	\$0.000	0.00	0.00%
46	Rider 4 Lochburn Land Sale Rebate	110.0 GJ x	(\$0.022) =	(2.4200)	110.0 GJ x	(\$0.022) =	(2.4200)	\$0.000	0.00	0.00%
47	Rider 5 RSAM	110.0 GJ x	\$0.094 =	10.3400	110.0 GJ x	\$0.094 =	10.3400	\$0.000	0.00	0.00%
48	Subtotal Delivery Margin Related Charges			<u>\$433.64</u>			<u>\$433.64</u>		<u>\$0.00</u>	<u>0.00%</u>
49										
50	<u>Commodity Related Charges</u>									
51	Midstream Cost Recovery Charge	110.0 GJ x	\$1.265 =	139.1500	110.0 GJ x	\$1.265 =	139.1500	\$0.000	0.0000	0.00%
52	Rider 8 Unbundling Recovery	110.0 GJ x	\$0.117 =	12.8700	110.0 GJ x	\$0.117 =	12.8700	\$0.000	0.00	0.00%
53	Midstream Related Charges Subtotal			<u>\$152.02</u>			<u>\$152.02</u>		<u>\$0.00</u>	<u>0.00%</u>
54										
55	Cost of Gas (Commodity Cost Recovery Charge)	110.0 GJ x	\$9.780 =	\$1,075.80	110.0 GJ x	\$7.922 =	\$871.42	(\$1.858)	(\$204.38)	-12.30%
56	Subtotal Commodity Related Charges			<u>\$1,227.82</u>			<u>\$1,023.44</u>		<u>(\$204.38)</u>	<u>-12.30%</u>
57										
58	Total (with effective \$/GJ rate)	110.0	\$15.104	<u>\$1,661.46</u>	110.0	\$13.246	<u>\$1,457.08</u>	(\$1.858)	<u>(\$204.38)</u>	<u>-12.30%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

RATE SCHEDULE 2 -SMALL COMMERCIAL SERVICE

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	LOWER MAINLAND SERVICE AREA									
2	<u>Delivery Margin Related Charges</u>									
3	Basic Charge	12 months x	\$23.35 =	\$280.20	12 months x	\$23.35 =	\$280.20	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	300.0	GJ x \$2.330 =	699.0000	300.0	GJ x \$2.330 =	699.0000	\$0.000	0.0000	0.00%
6	Rider 3 ESM	300.0	GJ x (\$0.098) =	(29.4000)	300.0	GJ x (\$0.098) =	(29.4000)	\$0.000	0.00	0.00%
7	Rider 4 Lochburn Land Sale Rebate	300.0	GJ x (\$0.017) =	(5.1000)	300.0	GJ x (\$0.017) =	(5.1000)	\$0.000	0.00	0.00%
8	Rider 5 RSAM	300.0	GJ x \$0.094 =	28.2000	300.0	GJ x \$0.094 =	28.2000	\$0.000	0.00	0.00%
9	Subtotal Delivery Margin Related Charges			<u>\$972.90</u>			<u>\$972.90</u>		<u>\$0.00</u>	<u>0.00%</u>
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge	300.0	GJ x \$1.303 =	390.9000	300.0	GJ x \$1.303 =	390.9000	\$0.000	0.0000	0.00%
13	Rider 8 Unbundling Recovery	300.0	GJ x \$0.047 =	14.1000	300.0	GJ x \$0.047 =	14.1000	\$0.000	0.0000	0.00%
14	Midstream Related Charges Subtotal			<u>\$405.00</u>			<u>\$405.00</u>		<u>\$0.00</u>	<u>0.00%</u>
15										
16	Cost of Gas (Commodity Cost Recovery Charge)	300.0	GJ x \$9.780 =	\$2,934.00	300.0	GJ x \$7.922 =	\$2,376.60	(\$1.858)	(\$557.40)	-12.93%
17	Subtotal Commodity Related Charges			<u>\$3,339.00</u>			<u>\$2,781.60</u>		<u>(\$557.40)</u>	<u>-12.93%</u>
18										
19	Total (with effective \$/GJ rate)	<u>300.0</u>	<u>\$14.373</u>	<u>\$4,311.90</u>	<u>300.0</u>	<u>\$12.515</u>	<u>\$3,754.50</u>	<u>(\$1.858)</u>	<u>(\$557.40)</u>	<u>-12.93%</u>
20										
21	INLAND SERVICE AREA									
22	<u>Delivery Margin Related Charges</u>									
23	Basic Charge	12 months x	\$23.35 =	\$280.20	12 months x	\$23.35 =	\$280.20	\$0.00	\$0.00	0.00%
24										
25	Delivery Charge	280.0	GJ x \$2.330 =	652.4000	280.0	GJ x \$2.330 =	652.4000	\$0.000	0.0000	0.00%
26	Rider 3 ESM	280.0	GJ x (\$0.098) =	(27.4400)	280.0	GJ x (\$0.098) =	(27.4400)	\$0.000	0.00	0.00%
27	Rider 4 Lochburn Land Sale Rebate	280.0	GJ x (\$0.017) =	(4.7600)	280.0	GJ x (\$0.017) =	(4.7600)	\$0.000	0.00	0.00%
28	Rider 5 RSAM	280.0	GJ x \$0.094 =	26.3200	280.0	GJ x \$0.094 =	26.3200	\$0.000	0.00	0.00%
29	Subtotal Delivery Margin Related Charges			<u>\$926.72</u>			<u>\$926.72</u>		<u>\$0.00</u>	<u>0.00%</u>
30										
31	<u>Commodity Related Charges</u>									
32	Midstream Cost Recovery Charge	280.0	GJ x \$1.279 =	358.1200	280.0	GJ x \$1.279 =	358.1200	\$0.000	0.0000	0.00%
33	Rider 8 Unbundling Recovery	280.0	GJ x \$0.047 =	13.1600	280.0	GJ x \$0.047 =	13.1600	\$0.000	0.0000	0.00%
34	Midstream Related Charges Subtotal			<u>\$371.28</u>			<u>\$371.28</u>		<u>\$0.00</u>	<u>0.00%</u>
35										
36	Cost of Gas (Commodity Cost Recovery Charge)	280.0	GJ x \$9.780 =	\$2,738.40	280.0	GJ x \$7.922 =	\$2,218.16	(\$1.858)	(\$520.24)	-12.89%
37	Subtotal Commodity Related Charges			<u>\$3,109.68</u>			<u>\$2,589.44</u>		<u>(\$520.24)</u>	<u>-12.89%</u>
38										
39	Total (with effective \$/GJ rate)	<u>280.0</u>	<u>\$14.416</u>	<u>\$4,036.40</u>	<u>280.0</u>	<u>\$12.558</u>	<u>\$3,516.16</u>	<u>(\$1.858)</u>	<u>(\$520.24)</u>	<u>-12.89%</u>
40										
41	COLUMBIA SERVICE AREA									
42	<u>Delivery Margin Related Charges</u>									
43	Basic Charge	12 months x	\$23.35 =	\$280.20	12 months x	\$23.35 =	\$280.20	\$0.00	\$0.00	0.00%
44										
45	Delivery Charge	360.0	GJ x \$2.330 =	838.8000	360.0	GJ x \$2.330 =	838.8000	\$0.000	0.0000	0.00%
46	Rider 3 ESM	360.0	GJ x (\$0.098) =	(35.2800)	360.0	GJ x (\$0.098) =	(35.2800)	\$0.000	0.00	0.00%
47	Rider 4 Lochburn Land Sale Rebate	360.0	GJ x (\$0.017) =	(6.1200)	360.0	GJ x (\$0.017) =	(6.1200)	\$0.000	0.00	0.00%
48	Rider 5 RSAM	360.0	GJ x \$0.094 =	33.8400	360.0	GJ x \$0.094 =	33.8400	\$0.000	0.00	0.00%
49	Subtotal Delivery Margin Related Charges			<u>\$1,111.44</u>			<u>\$1,111.44</u>		<u>\$0.00</u>	<u>0.00%</u>
50										
51	<u>Commodity Related Charges</u>									
52	Midstream Cost Recovery Charge	360.0	GJ x \$1.359 =	489.2400	360.0	GJ x \$1.359 =	489.2400	\$0.000	0.0000	0.00%
53	Rider 8 Unbundling Recovery	360.0	GJ x \$0.047 =	16.9200	360.0	GJ x \$0.047 =	16.9200	\$0.000	0.0000	0.00%
54	Midstream Related Charges Subtotal			<u>\$506.16</u>			<u>\$506.16</u>		<u>\$0.00</u>	<u>0.00%</u>
55										
56	Cost of Gas (Commodity Cost Recovery Charge)	360.0	GJ x \$9.780 =	\$3,520.80	360.0	GJ x \$7.922 =	\$2,851.92	(\$1.858)	(\$668.88)	-13.02%
57	Subtotal Commodity Related Charges			<u>\$4,026.96</u>			<u>\$3,358.08</u>		<u>(\$668.88)</u>	<u>-13.02%</u>
58										
59	Total (with effective \$/GJ rate)	<u>360.0</u>	<u>\$14.273</u>	<u>\$5,138.40</u>	<u>360.0</u>	<u>\$12.415</u>	<u>\$4,469.52</u>	<u>(\$1.858)</u>	<u>(\$668.88)</u>	<u>-13.02%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	LOWER MAINLAND SERVICE AREA									
2	<u>Delivery Margin Related Charges</u>									
3	Basic Charge	12 months x	\$124.58 =	\$1,494.96	12 months x	\$124.58 =	\$1,494.96	\$0.00	\$0.00	0.00%
4										
5	Delivery Charge	3,300.0	GJ x \$2.008 =	6,626.4000	3,300.0	GJ x \$2.008 =	6,626.4000	\$0.000	0.0000	0.00%
6	Rider 3 ESM	3,300.0	GJ x (\$0.075) =	(247.5000)	3,300.0	GJ x (\$0.075) =	(247.5000)	\$0.000	0.00	0.00%
7	Rider 4 Lochburn Land Sale Rebate	3,300.0	GJ x (\$0.013) =	(42.9000)	3,300.0	GJ x (\$0.013) =	(42.9000)	\$0.000	0.00	0.00%
8	Rider 5 RSAM	3,300.0	GJ x \$0.094 =	310.2000	3,300.0	GJ x \$0.094 =	310.2000	\$0.000	0.00	0.00%
9	Subtotal Delivery Margin Related Charges			<u>\$8,141.16</u>			<u>\$8,141.16</u>		<u>\$0.00</u>	<u>0.00%</u>
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge	3,300.0	GJ x \$1.115 =	3,679.5000	3,300.0	GJ x \$1.115 =	3,679.5000	\$0.000	0.0000	0.00%
13	Rider 8 Unbundling Recovery	3,300.0	GJ x \$0.047 =	155.1000	3,300.0	GJ x \$0.047 =	155.1000	\$0.000	0.0000	0.00%
14	Midstream Related Charges Subtotal			<u>\$3,834.60</u>			<u>\$3,834.60</u>		<u>\$0.00</u>	<u>0.00%</u>
15										
16	Cost of Gas (Commodity Cost Recovery Charge)	3,300.0	GJ x \$9.780 =	<u>\$32,274.00</u>	3,300.0	GJ x \$7.922 =	<u>\$26,142.60</u>	(\$1.858)	(\$6,131.40)	-13.86%
17	Subtotal Commodity Related Charges			<u>\$36,108.60</u>			<u>\$29,977.20</u>		<u>(\$6,131.40)</u>	<u>-13.86%</u>
18										
19	Total (with effective \$/GJ rate)	<u>3,300.0</u>	<u>\$13.409</u>	<u>\$44,249.76</u>	<u>3,300.0</u>	<u>\$11.551</u>	<u>\$38,118.36</u>	(\$1.858)	<u>(\$6,131.40)</u>	<u>-13.86%</u>
20										
21	INLAND SERVICE AREA									
22	<u>Delivery Margin Related Charges</u>									
23	Basic Charge	12 months x	\$124.58 =	\$1,494.96	12 months x	\$124.58 =	\$1,494.96	\$0.00	\$0.00	0.00%
24										
25	Delivery Charge	3,500.0	GJ x \$2.008 =	7,028.0000	3,500.0	GJ x \$2.008 =	7,028.0000	\$0.000	0.0000	0.00%
26	Rider 3 ESM	3,500.0	GJ x (\$0.075) =	(262.5000)	3,500.0	GJ x (\$0.075) =	(262.5000)	\$0.000	0.00	0.00%
27	Rider 4 Lochburn Land Sale Rebate	3,500.0	GJ x (\$0.013) =	(45.5000)	3,500.0	GJ x (\$0.013) =	(45.5000)	\$0.000	0.00	0.00%
28	Rider 5 RSAM	3,500.0	GJ x \$0.094 =	329.0000	3,500.0	GJ x \$0.094 =	329.0000	\$0.000	0.00	0.00%
29	Subtotal Delivery Margin Related Charges			<u>\$8,543.96</u>			<u>\$8,543.96</u>		<u>\$0.00</u>	<u>0.00%</u>
30										
31	<u>Commodity Related Charges</u>									
32	Midstream Cost Recovery Charge	3,500.0	GJ x \$1.096 =	3,836.0000	3,500.0	GJ x \$1.096 =	3,836.0000	\$0.000	0.0000	0.00%
33	Rider 8 Unbundling Recovery	3,500.0	GJ x \$0.047 =	164.5000	3,500.0	GJ x \$0.047 =	164.5000	\$0.000	0.0000	0.00%
34	Midstream Related Charges Subtotal			<u>\$4,000.50</u>			<u>\$4,000.50</u>		<u>\$0.00</u>	<u>0.00%</u>
35										
36	Cost of Gas (Commodity Cost Recovery Charge)	3,500.0	GJ x \$9.780 =	<u>\$34,230.00</u>	3,500.0	GJ x \$7.922 =	<u>\$27,727.00</u>	(\$1.858)	(\$6,503.00)	-13.90%
37	Subtotal Commodity Related Charges			<u>\$38,230.50</u>			<u>\$31,727.50</u>		<u>(\$6,503.00)</u>	<u>-13.90%</u>
38										
39	Total (with effective \$/GJ rate)	<u>3,500.0</u>	<u>\$13.364</u>	<u>\$46,774.46</u>	<u>3,500.0</u>	<u>\$11.506</u>	<u>\$40,271.46</u>	(\$1.858)	<u>(\$6,503.00)</u>	<u>-13.90%</u>
40										
41	COLUMBIA SERVICE AREA									
42	<u>Delivery Margin Related Charges</u>									
43	Basic Charge	12 months x	\$124.58 =	\$1,494.96	12 months x	\$124.58 =	\$1,494.96	\$0.00	\$0.00	0.00%
44										
45	Delivery Charge	3,800.0	GJ x \$2.008 =	7,630.4000	3,800.0	GJ x \$2.008 =	7,630.4000	\$0.000	0.0000	0.00%
46	Rider 3 ESM	3,800.0	GJ x (\$0.075) =	(285.0000)	3,800.0	GJ x (\$0.075) =	(285.0000)	\$0.000	0.00	0.00%
47	Rider 4 Lochburn Land Sale Rebate	3,800.0	GJ x (\$0.013) =	(49.4000)	3,800.0	GJ x (\$0.013) =	(49.4000)	\$0.000	0.00	0.00%
48	Rider 5 RSAM	3,800.0	GJ x \$0.094 =	357.2000	3,800.0	GJ x \$0.094 =	357.2000	\$0.000	0.00	0.00%
49	Subtotal Delivery Margin Related Charges			<u>\$9,148.16</u>			<u>\$9,148.16</u>		<u>\$0.00</u>	<u>0.00%</u>
50										
51	<u>Commodity Related Charges</u>									
52	Midstream Cost Recovery Charge	3,800.0	GJ x \$1.175 =	4,465.0000	3,800.0	GJ x \$1.175 =	4,465.0000	\$0.000	0.0000	0.00%
53	Rider 8 Unbundling Recovery	3,800.0	GJ x \$0.047 =	178.6000	3,800.0	GJ x \$0.047 =	178.6000	\$0.000	0.0000	0.00%
54	Midstream Related Charges Subtotal			<u>\$4,643.60</u>			<u>\$4,643.60</u>		<u>\$0.00</u>	<u>0.00%</u>
55										
56	Cost of Gas (Commodity Cost Recovery Charge)	3,800.0	GJ x \$9.780 =	<u>\$37,164.00</u>	3,800.0	GJ x \$7.922 =	<u>\$30,103.60</u>	(\$1.858)	(\$7,060.40)	-13.86%
57	Subtotal Commodity Related Charges			<u>\$41,807.60</u>			<u>\$34,747.20</u>		<u>(\$7,060.40)</u>	<u>-13.86%</u>
58										
59	Total (with effective \$/GJ rate)	<u>3,800.0</u>	<u>\$13.409</u>	<u>\$50,955.76</u>	<u>3,800.0</u>	<u>\$11.551</u>	<u>\$43,895.36</u>	(\$1.858)	<u>(\$7,060.40)</u>	<u>-13.86%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

RATE SCHEDULE 4 - SEASONAL SERVICE

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Total Annual Bill
1									
2	LOWER MAINLAND SERVICE AREA								
3	<u>Delivery Margin Related Charges</u>								
4	Basic Charge	7 months x	\$413.00 =	\$2,891.00	7 months x	\$413.00 =	\$2,891.00	\$0.00	0.00%
5									
6	Delivery Charge								
7	(a) Off-Peak Period	6,100.0	GJ x \$0.717 =	4,373.7000	6,100.0	GJ x \$0.717 =	4,373.7000	0.0000	0.00%
8	(b) Extension Period	0.0	GJ x \$1.446 =	0.0000	0.0	GJ x \$1.446 =	0.0000	0.0000	0.00%
9	Rider 3 ESM	6,100.0	GJ x (\$0.043) =	(262.3000)	6,100.0	GJ x (\$0.043) =	(262.3000)	0.0000	0.00%
10	Rider 4 Lochburn Land Sale Rebate	6,100.0	GJ x (\$0.006) =	(36.6000)	6,100.0	GJ x (\$0.006) =	(36.6000)	0.0000	0.00%
11	Subtotal Delivery Margin Related Charges			<u>\$6,965.80</u>			<u>\$6,965.80</u>	<u>\$0.00</u>	<u>0.00%</u>
12									
13	<u>Commodity Related Charges</u>								
14	Midstream Cost Recovery Charge								
15	(a) Off-Peak Period	6,100.0	GJ x \$0.823 =	5,020.3000	6,100.0	GJ x \$0.823 =	5,020.3000	0.0000	0.00%
16	(b) Extension Period	0.0	GJ x \$0.823 =	0.0000	0.0	GJ x \$0.823 =	0.0000	0.0000	0.00%
17	Commodity Cost Recovery Charge								
18	(a) Off-Peak Period	6,100.0	GJ x \$9.780 =	59,658.0000	6,100.0	GJ x \$7.922 =	48,324.2000	(11,333.8000)	-15.82%
19	(b) Extension Period	0.0	GJ x \$9.780 =	0.0000	0.0	GJ x \$7.922 =	0.0000	0.0000	0.00%
20									
21	Subtotal Cost of Gas (Commodity Related Charges) Off-Peak			<u>\$64,678.30</u>			<u>\$53,344.50</u>	<u>(\$11,333.80)</u>	<u>-15.82%</u>
22									
23	Unauthorized Gas Charge During Peak Period (not forecast)								
24									
25	Total during Off-Peak Period	<u>6,100.0</u>		<u>\$71,644.10</u>	<u>6,100.0</u>		<u>\$60,310.30</u>	<u>(\$11,333.80)</u>	<u>-15.82%</u>
26									
27									
28	INLAND SERVICE AREA								
29	<u>Delivery Margin Related Charges</u>								
30	Basic Charge	7 months x	\$413.00 =	\$2,891.00	7 months x	\$413.00 =	\$2,891.00	\$0.00	0.00%
31									
32	Delivery Charge								
33	(a) Off-Peak Period	13,300.0	GJ x \$0.717 =	9,536.1000	13,300.0	GJ x \$0.717 =	9,536.1000	0.0000	0.00%
34	(b) Extension Period	0.0	GJ x \$1.446 =	0.0000	0.0	GJ x \$1.446 =	0.0000	0.0000	0.00%
35	Rider 3 ESM	13,300.0	GJ x (\$0.043) =	(571.9000)	13,300.0	GJ x (\$0.043) =	(571.9000)	0.0000	0.00%
36	Rider 4 Lochburn Land Sale Rebate	13,300.0	GJ x (\$0.006) =	(79.8000)	13,300.0	GJ x (\$0.006) =	(79.8000)	0.0000	0.00%
37	Subtotal Delivery Margin Related Charges			<u>\$11,775.40</u>			<u>\$11,775.40</u>	<u>\$0.00</u>	<u>0.00%</u>
38									
39	<u>Commodity Related Charges</u>								
40	Midstream Cost Recovery Charge								
41	(a) Off-Peak Period	13,300.0	GJ x \$0.812 =	10,799.6000	13,300.0	GJ x \$0.812 =	10,799.6000	0.0000	0.00%
42	(b) Extension Period	0.0	GJ x \$0.812 =	0.0000	0.0	GJ x \$0.812 =	0.0000	0.0000	0.00%
43	Commodity Cost Recovery Charge								
44	(a) Off-Peak Period	13,300.0	GJ x \$9.780 =	130,074.0000	13,300.0	GJ x \$7.922 =	105,362.6000	(24,711.4000)	-16.19%
45	(b) Extension Period	0.0	GJ x \$9.780 =	0.0000	0.0	GJ x \$7.922 =	0.0000	0.0000	0.00%
46									
47	Subtotal Cost of Gas (Commodity Related Charges) Off-Peak			<u>\$140,873.60</u>			<u>\$116,162.20</u>	<u>(\$24,711.40)</u>	<u>-16.19%</u>
48									
49	Unauthorized Gas Charge During Peak Period (not forecast)								
50									
51	Total during Off-Peak Period	<u>13,300.0</u>		<u>\$152,649.00</u>	<u>13,300.0</u>		<u>\$127,937.60</u>	<u>(\$24,711.40)</u>	<u>-16.19%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

RATE SCHEDULE 5 - GENERAL FIRM SERVICE

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1										
2	LOWER MAINLAND SERVICE AREA									
3	<u>Delivery Margin Related Charges</u>									
4	Basic Charge	12 months x	\$551.00	= \$6,612.00	12 months x	\$551.00	= \$6,612.00	\$0.00	\$0.00	0.00%
5										
6	Demand Charge	54.2 GJ x	\$13.776	= \$8,959.91	54.2 GJ x	\$13.776	= \$8,959.91	\$0.000	\$0.00	0.00%
7										
8	Delivery Charge	11,600.0 GJ x	\$0.557	= 6,461.2000	11,600.0 GJ x	\$0.557	= 6,461.2000	\$0.000	0.0000	0.00%
9	Rider 3 ESM	11,600.0 GJ x	(\$0.054)	= (626.4000)	11,600.0 GJ x	(\$0.054)	= (626.4000)	\$0.000	0.0000	0.00%
10	Rider 4 Lochburn Land Sale Rebate	11,600.0 GJ x	(\$0.009)	= (104.4000)	11,600.0 GJ x	(\$0.009)	= (104.4000)	\$0.000	0.0000	0.00%
11	Subtotal Transportation - Firm			<u>\$5,730.40</u>			<u>\$5,730.40</u>		<u>\$0.00</u>	<u>0.00%</u>
12										
13	<u>Commodity Related Charges</u>									
14	Midstream Cost Recovery Charge	11,600.0 GJ x	\$0.823	= 9,546.8000	11,600.0 GJ x	\$0.823	= 9,546.8000	\$0.000	0.0000	0.00%
15	Commodity Cost Recovery Charge	11,600.0 GJ x	\$9.780	= 113,448.0000	11,600.0 GJ x	\$7.922	= 91,895.2000	(\$1.858)	(21,552.8000)	-14.94%
16	Subtotal Gas Commodity Cost (Commodity Related Charge)			<u>\$122,994.80</u>			<u>\$101,442.00</u>		<u>(\$21,552.80)</u>	<u>-14.94%</u>
17										
18	Total (with effective \$/GJ rate)	11,600.0	\$12.439	<u>\$144,297.11</u>	11,600.0	\$10.581	<u>\$122,744.31</u>	(\$1.858)	<u>(\$21,552.80)</u>	<u>-14.94%</u>
19										
20	INLAND SERVICE AREA									
21	<u>Delivery Margin Related Charges</u>									
22	Basic Charge	12 months x	\$551.00	= \$6,612.00	12 months x	\$551.00	= \$6,612.00	\$0.00	\$0.00	0.00%
23										
24	Demand Charge	73.5 GJ x	\$13.776	= \$12,150.43	73.5 GJ x	\$13.776	= \$12,150.43	\$0.000	\$0.00	0.00%
25										
26	Delivery Charge	15,900.0 GJ x	\$0.557	= 8,856.3000	15,900.0 GJ x	\$0.557	= 8,856.3000	\$0.000	0.0000	0.00%
27	Rider 3 ESM	15,900.0 GJ x	(\$0.054)	= (858.6000)	15,900.0 GJ x	(\$0.054)	= (858.6000)	\$0.000	0.0000	0.00%
28	Rider 4 Lochburn Land Sale Rebate	15,900.0 GJ x	(\$0.009)	= (143.1000)	15,900.0 GJ x	(\$0.009)	= (143.1000)	\$0.000	0.0000	0.00%
29	Subtotal Transportation - Firm			<u>\$7,854.60</u>			<u>\$7,854.60</u>		<u>\$0.00</u>	<u>0.00%</u>
30										
31	<u>Commodity Related Charges</u>									
32	Midstream Cost Recovery Charge	15,900.0 GJ x	\$0.812	= 12,910.8000	15,900.0 GJ x	\$0.812	= 12,910.8000	\$0.000	0.0000	0.00%
33	Commodity Cost Recovery Charge	15,900.0 GJ x	\$9.780	= 155,502.0000	15,900.0 GJ x	\$7.922	= 125,959.8000	(\$1.858)	(29,542.2000)	-15.15%
34	Subtotal Gas Commodity Cost (Commodity Related Charge)			<u>\$168,412.80</u>			<u>\$138,870.60</u>		<u>(\$29,542.20)</u>	<u>-15.15%</u>
35										
36	Total (with effective \$/GJ rate)	15,900.0	\$12.266	<u>\$195,029.83</u>	15,900.0	\$10.408	<u>\$165,487.63</u>	(\$1.858)	<u>(\$29,542.20)</u>	<u>-15.15%</u>
37										
38	COLUMBIA SERVICE AREA									
39	<u>Delivery Margin Related Charges</u>									
40	Basic Charge	12 months x	\$551.00	= \$6,612.00	12 months x	\$551.00	= \$6,612.00	\$0.00	\$0.00	0.00%
41										
42	Demand Charge	64.3 GJ x	\$13.776	= \$10,629.56	64.3 GJ x	\$13.776	= \$10,629.56	\$0.000	\$0.00	0.00%
43										
44	Delivery Charge	14,000.0 GJ x	\$0.557	= 7,798.0000	14,000.0 GJ x	\$0.557	= 7,798.0000	\$0.000	0.0000	0.00%
45	Rider 3 ESM	14,000.0 GJ x	(\$0.054)	= (756.0000)	14,000.0 GJ x	(\$0.054)	= (756.0000)	\$0.000	0.0000	0.00%
46	Rider 4 Lochburn Land Sale Rebate	14,000.0 GJ x	(\$0.009)	= (126.0000)	14,000.0 GJ x	(\$0.009)	= (126.0000)	\$0.000	0.0000	0.00%
47	Subtotal Transportation - Firm			<u>\$6,916.00</u>			<u>\$6,916.00</u>		<u>\$0.00</u>	<u>0.00%</u>
48										
49	<u>Commodity Related Charges</u>									
50	Midstream Cost Recovery Charge	14,000.0 GJ x	\$0.887	= 12,418.0000	14,000.0 GJ x	\$0.887	= 12,418.0000	\$0.000	0.0000	0.00%
51	Commodity Cost Recovery Charge	14,000.0 GJ x	\$9.780	= 136,920.0000	14,000.0 GJ x	\$7.922	= 110,908.0000	(\$1.858)	(26,012.0000)	-14.99%
52	Subtotal Gas Commodity Cost (Commodity Related Charge)			<u>\$149,338.00</u>			<u>\$123,326.00</u>		<u>(\$26,012.00)</u>	<u>-14.99%</u>
53										
54	Total (with effective \$/GJ rate)	14,000.0	\$12.393	<u>\$173,495.56</u>	14,000.0	\$10.535	<u>\$147,483.56</u>	(\$1.858)	<u>(\$26,012.00)</u>	<u>-14.99%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations.
 Slight differences in totals due to rounding

RATE SCHEDULE 6 - NGV - STATIONS

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bil
1										
2	LOWER MAINLAND SERVICE AREA									
3	<u>Delivery Margin Related Charges</u>									
4	Basic Charge	12 months x	\$58.00 =	\$696.00	12 months x	\$58.00 =	\$696.00	\$0.00	\$0.00	0.00%
5										
6	Delivery Charge	6,300.0	GJ x \$3.194 =	20,122.2000	6,300.0	GJ x \$3.194 =	20,122.2000	\$0.000	0.0000	0.00%
7	Rider 3 ESM	6,300.0	GJ x (\$0.100) =	(630.0000)	6,300.0	GJ x (\$0.100) =	(630.0000)	\$0.000	0.0000	0.00%
8	Rider 4 Lochburn Land Sale Rebate	6,300.0	GJ x (\$0.020) =	(126.0000)	6,300.0	GJ x (\$0.020) =	(126.0000)	\$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges			\$20,062.20			\$20,062.20		\$0.00	0.00%
10										
11	<u>Commodity Related Charges</u>									
12	Midstream Cost Recovery Charge	6,300.0	GJ x \$0.452 =	2,847.6000	6,300.0	GJ x \$0.452 =	2,847.6000	\$0.000	0.0000	0.00%
13	Commodity Cost Recovery Charge	6,300.0	GJ x \$9.780 =	61,614.0000	6,300.0	GJ x \$7.922 =	49,908.6000	(\$1.858)	(11,705.4000)	-13.85%
14	Subtotal Cost of Gas (Commodity Related Charge)			\$64,461.60			\$52,756.20		(\$11,705.40)	-13.85%
15										
16	Total (with effective \$/GJ rate)	<u>6,300.0</u>	<u>\$13.416</u>	<u>\$84,523.80</u>	<u>6,300.0</u>	<u>\$11.558</u>	<u>\$72,818.40</u>	(\$1.858)	(\$11,705.40)	-13.85%
17										
18										
19	INLAND SERVICE AREA									
20	<u>Delivery Margin Related Charges</u>									
21	Basic Charge	12 months x	\$58.00 =	\$696.00	12 months x	\$58.00 =	\$696.00	\$0.00	\$0.00	0.00%
22										
23	Delivery Charge	2,500.0	GJ x \$3.194 =	7,985.0000	2,500.0	GJ x \$3.194 =	7,985.0000	\$0.000	0.0000	0.00%
24	Rider 3 ESM	2,500.0	GJ x (\$0.100) =	(250.0000)	2,500.0	GJ x (\$0.100) =	(250.0000)	\$0.000	0.0000	0.00%
25	Rider 4 Lochburn Land Sale Rebate	2,500.0	GJ x (\$0.020) =	(50.0000)	2,500.0	GJ x (\$0.020) =	(50.0000)	\$0.000	0.0000	0.00%
26	Subtotal Delivery Margin Related Charges			\$8,381.00			\$8,381.00		\$0.00	0.00%
27										
28	<u>Commodity Related Charges</u>									
29	Midstream Cost Recovery Charge	2,500.0	GJ x \$0.431 =	1,077.5000	2,500.0	GJ x \$0.431 =	1,077.5000	\$0.000	0.0000	0.00%
30	Commodity Cost Recovery Charge	2,500.0	GJ x \$9.780 =	24,450.0000	2,500.0	GJ x \$7.922 =	19,805.0000	(\$1.858)	(4,645.0000)	-13.70%
31	Subtotal Cost of Gas (Commodity Related Charge)			\$25,527.50			\$20,882.50		(\$4,645.00)	-13.70%
32										
33	Total (with effective \$/GJ rate)	<u>2,500.0</u>	<u>\$13.563</u>	<u>\$33,908.50</u>	<u>2,500.0</u>	<u>\$11.705</u>	<u>\$29,263.50</u>	(\$1.858)	(\$4,645.00)	-13.70%

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations.
 Slight differences in totals due to rounding

TERASEN GAS INC.
 COMMODITY RELATED CHARGES CHANGES
 BCUC ORDER NO. G-94-08

RATE SCHEDULE 7 - INTERRUPTIBLE SALES

Line No.	Particular	EXISTING JULY 1, 2008 RATES			PROPOSED OCTOBER 1, 2008 RATES			Annual Increase/Decrease	
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Annual \$	% of Previous Annual Bil
1									
2	LOWER MAINLAND SERVICE AREA								
3	<u>Delivery Margin Related Charges</u>								
4	Basic Charge	12 months x	\$827.00 =	\$9,924.00	12 months x	\$827.00 =	\$9,924.00	\$0.00	0.00%
5									
6	Delivery Charge	25,000.0	GJ x \$0.931 =	23,275.0000	25,000.0	GJ x \$0.931 =	23,275.0000	\$0.000	0.00%
7	Rider 3 ESM	25,000.0	GJ x (\$0.034) =	(850.0000)	25,000.0	GJ x (\$0.034) =	(850.0000)	\$0.000	0.00%
8	Rider 4 Lochburn Land Sale Rebate	25,000.0	GJ x (\$0.006) =	(150.0000)	25,000.0	GJ x (\$0.006) =	(150.0000)	\$0.000	0.00%
9	Subtotal Transportation - Interruptible			\$22,275.00			\$22,275.00	\$0.00	0.00%
10									
11	<u>Commodity Related Charges</u>								
12	Midstream Cost Recovery Charge	25,000.0	GJ x \$0.823 =	20,575.0000	25,000.0	GJ x \$0.823 =	20,575.0000	\$0.000	0.00%
13	Commodity Cost Recovery Charge	25,000.0	GJ x \$9.780 =	244,500.0000	25,000.0	GJ x \$7.922 =	198,050.0000	(\$46,450.000)	-15.63%
14	Subtotal Gas Sales - Fixed (Commodity Related Charge)			\$265,075.00			\$218,625.00	(\$46,450.00)	-15.63%
15									
16	Non-Standard Charges (not forecast)								
17	Index Pricing Option, UOR								
18									
19	Total (with effective \$/GJ rate)	<u>25,000.0</u>	<u>\$11.891</u>	<u>\$297,274.00</u>	<u>25,000.0</u>	<u>\$10.033</u>	<u>\$250,824.00</u>	<u>(\$46,450.00)</u>	<u>-15.63%</u>
20									
21									
22	INLAND SERVICE AREA								
23	<u>Delivery Margin Related Charges</u>								
24	Basic Charge	12 months x	\$827.00 =	\$9,924.00	12 months x	\$827.00 =	\$9,924.00	\$0.00	0.00%
25									
26	Delivery Charge	10,700.0	GJ x \$0.931 =	9,961.7000	10,700.0	GJ x \$0.931 =	9,961.7000	\$0.000	0.00%
27	Rider 3 ESM	10,700.0	GJ x (\$0.034) =	(363.8000)	10,700.0	GJ x (\$0.034) =	(363.8000)	\$0.000	0.00%
28	Rider 4 Lochburn Land Sale Rebate	10,700.0	GJ x (\$0.006) =	(64.2000)	10,700.0	GJ x (\$0.006) =	(64.2000)	\$0.000	0.00%
29	Subtotal Transportation - Interruptible			\$9,533.70			\$9,533.70	\$0.00	0.00%
30									
31	<u>Commodity Related Charges</u>								
32	Midstream Cost Recovery Charge	10,700.0	GJ x \$0.812 =	8,688.4000	10,700.0	GJ x \$0.812 =	8,688.4000	\$0.000	0.00%
33	Commodity Cost Recovery Charge	10,700.0	GJ x \$9.780 =	104,646.0000	10,700.0	GJ x \$7.922 =	84,765.4000	(\$19,880.600)	-14.97%
34	Subtotal Gas Sales - Fixed (Commodity Related Charge)			\$113,334.40			\$93,453.80	(\$19,880.60)	-14.97%
35									
36	Non-Standard Charges (not forecast)								
37	Index Pricing Option, UOR								
38									
39	Total (with effective \$/GJ rate)	<u>10,700.0</u>	<u>\$12.410</u>	<u>\$132,792.10</u>	<u>10,700.0</u>	<u>\$10.552</u>	<u>\$112,911.50</u>	<u>(\$19,880.60)</u>	<u>-14.97%</u>

Notes: Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding