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September 9, 2008

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

Regulatory Affairs Correspondence
Email: regulatory_affairs@terasengas.com

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. – Fort Nelson Service Area (“TG Fort Nelson”)
Gas Cost Reconciliation Account (“GCRA”) and
Revised 2008 Third Quarter Gas Cost Report (September 5, 2008
Forward Prices)**

The attached materials provide the TG Fort Nelson Revised 2008 Third Quarter Gas Cost Report. As a result of the recent declines in the natural gas commodity market, and in conjunction with feedback from British Columbia Utilities Commission (the “Commission”) staff, TG Fort Nelson has revised its 2008 Third Quarter Gas Cost Report and the GCRA deferral account forecast utilizing the September 5, 2008 forward prices.

Based on the forward prices as at September 5, 2008, the September 30, 2008 GCRA deferral balance is projected to be approximately \$17,900 surplus (after tax) (REVISED Tab 1, Page 2.0, Column 2, Line 34). Further, based on the September 5, 2008 forward prices, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending September 30, 2009, and accounting for the projected September 30, 2008 deferral balance, the GCRA ratio is calculated to be 125.7% (REVISED Tab 1, Page 1, Column 3, Line 10/11). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is required, and that a greater rate decrease would result from the September 5, 2008 forward prices than the August 27, 2008 forward prices which were utilized in the TG Fort Nelson 2008 Third Quarter Gas Cost Report filed with the Commission on September 4, 2008.

The results, based on the September 5, 2008 forward prices, indicate a gas cost flow through decrease, effective October 1, 2008, of \$2.073/GJ would be required to eliminate the forecast over-recovery of the 12-month forward gas purchase cost and to amortize the projected September 30, 2008 deferral balance. In fact, the September 5, 2008 forward prices indicate a gas cost flow through decrease of \$0.347/GJ greater than the original gas cost flow through based on the August 27, 2008 forward prices, and filed on September 4, 2008.

A summary, including a component breakdown, of the \$2.073/GJ decrease Terasen Gas Inc. (“Terasen Gas”) is requesting for TG Fort Nelson effective October 1, 2008, is provided under the section titled “BALANCING REQUIREMENT” (REVISED Tab 1, Page 1). The schedules within Tab 2 provide a revised summary of the forecast monthly

GCRA activity and deferral balances with the proposed gas cost flow through, effective October 1, 2008.

Tabs 3 and 4 provide the revised tariff continuity and the bill impact schedules. These revised schedules show the proposed October 1, 2008 decrease of the gas cost recovery charge component of rates. The TG Fort Nelson rate change, effective October 1, 2008, would decrease the annual bill by approximately \$332 or 17.5%, for a Fort Nelson residential customer with an average annual consumption of 160 GJ.

In summary, Terasen Gas hereby requests Commission approval to flow through in customers' rates, effective October 1, 2008, a TG Fort Nelson gas cost recovery charge rate decrease of \$2.073/GJ. The gas cost recovery charge component of rates would decrease from \$10.151/GJ to \$8.078/GJ, effective October 1, 2008.

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

CONFIDENTIALITY

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

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

We trust the Commission will find the attached to be in order. However, should any further information be required, please contact Brian Noel at 604-592-7467.

All of which is respectfully submitted.

Yours very truly,

TERASEN GAS INC.

Original signed:

Tom A. Loski

Attachments

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM
 FOR THE PERIOD OCTOBER 1, 2008 TO SEPTEMBER 30, 2009
 WITH PROPOSED OCTOBER 1, 2008 GAS COST RECOVERY RATES
 (SEPTEMBER 5, 2008 FORWARD PRICES)

Tab 1
 Page 1
 (Revised)

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<u>RATE CHANGE TRIGGER MECHANISM</u>				
2	Projected grossed-up GCRA Balance as at September 30, 2008 (Page 2.0, Line 34, Col 2 after tax amount grossed up using 31.0% tax rate)	\$ (26.0)			
3					
4					
5	Forecast Incurred Gas Costs - October 2008 to September 2009 (Page 2.0, Line 20, Col 14)	\$ 4,549.3			
6					
7	Forecast Recovered Gas Costs - October 2008 to September 2009 (Page 2.0, Line 10, Col 14)	\$ 5,684.6			
8					
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	\$ 5,684.6	=		= <u>125.7%</u>
11		\$ 4,523.3	=		
12					
13					
14					
15					
16	<u>BALANCING REQUIREMENT</u>				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband)				
18					
19	Forecast 12 Month Recovery Volumes - October 2008 to September 2009 (Page 2.0, Col. 14, Line 2 + Line 3)			560.1	
20					
21					
22	Projected 12-Month Amortization of GCRA as at September 30, 2008 (Line 2)	\$ (26.0)			\$ (0.046)
23	Forecast GCRA Activities - October 2008 to September 2009 (Line 5 - Line 7)	<u>(1,135.3)</u>			\$ (2.027)
24	(Over) / Under Recovery at Proposed Rates	<u>\$ (1,161.3)</u>			
25					
26	Applicable Gas Cost Recovery at Proposed Rates (Decrease) / Increase				<u>\$ (2.073)</u>

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

Tab 1
 Page 2.0
 (Revised)

WITH EXISTING JULY 1, 2008 GAS COST RECOVERY RATES
 (SEPTEMBER 5, 2008 FORWARD PRICES)

Line No.	Particulars	12 months Oct08-Sep09 Forecast												
		Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		42.4	67.9	84.5	101.8	76.3	71.8	38.9	21.7	14.1	9.2	11.7	18.8	559.1
3 T-Service UAF - TJ		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.1	1.0
4														
5 Recovery Unit Cost on Sales - \$/GJ		\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
6 Recovery Unit Cost on T-Service UAF - \$/GJ		\$ 6.868	\$ 6.868	\$ 6.868	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
7														
8 Recovery on Sales - \$000		\$ 430.4	\$ 689.3	\$ 857.8	\$ 1,033.4	\$ 774.5	\$ 728.8	\$ 394.9	\$ 220.3	\$ 143.1	\$ 93.4	\$ 118.8	\$ 190.8	\$ 5,675.5
9 Recovery on T-Service UAF - \$000		0.7	0.7	0.7	1.0	1.0	1.0	1.0	1.0	1.0	-	-	1.0	9.1
10 Total Forecast Recovered Gas Costs - \$000		<u>\$ 431.1</u>	<u>\$ 690.0</u>	<u>\$ 858.5</u>	<u>\$ 1,034.4</u>	<u>\$ 775.5</u>	<u>\$ 729.8</u>	<u>\$ 395.9</u>	<u>\$ 221.3</u>	<u>\$ 144.1</u>	<u>\$ 93.4</u>	<u>\$ 118.8</u>	<u>\$ 191.8</u>	<u>\$ 5,684.6</u>
11														
12														
13														
14 INCURRED GAS COSTS														
15 Total Purchases Incl. Company Use and UAF - TJ		42.7	68.3	84.9	102.3	76.7	72.2	39.1	21.9	14.2	9.3	11.8	18.9	563.5
16														
17														
18 Blended Cost - \$/GJ		\$ 6.5025	\$ 8.3192	\$ 8.4714	\$ 8.5577	\$ 8.5770	\$ 8.5303	\$ 7.1671	\$ 7.1852	\$ 7.2456	\$ 7.3150	\$ 7.3646	\$ 7.3858	\$ 93.2484
19														
20 Forecast Incurred Gas Costs - \$000		<u>\$ 277.7</u>	<u>\$ 568.2</u>	<u>\$ 719.2</u>	<u>\$ 875.4</u>	<u>\$ 657.9</u>	<u>\$ 615.9</u>	<u>\$ 280.2</u>	<u>\$ 157.4</u>	<u>\$ 102.9</u>	<u>\$ 68.0</u>	<u>\$ 86.9</u>	<u>\$ 139.6</u>	<u>\$ 4,549.3</u>
21														
22														
23														
24														
25														
26 GCRA BALANCE														
27 Opening Balance Before Tax		\$ (26.0)	\$ (179.4)	\$ (301.2)	\$ (437.6)	\$ (596.6)	\$ (714.2)	\$ (828.1)	\$ (943.8)	\$ (1,007.7)	\$ (1,048.9)	\$ (1,074.3)	\$ (1,106.2)	
28 Forecast Activity		(153.4)	(121.8)	(139.3)	(159.0)	(117.6)	(113.9)	(115.7)	(63.9)	(41.2)	(25.4)	(31.9)	(52.2)	
29 Closing Balance Before Tax		<u>\$ (179.4)</u>	<u>\$ (301.2)</u>	<u>\$ (440.5)</u>	<u>\$ (596.6)</u>	<u>\$ (714.2)</u>	<u>\$ (828.1)</u>	<u>\$ (943.8)</u>	<u>\$ (1,007.7)</u>	<u>\$ (1,048.9)</u>	<u>\$ (1,074.3)</u>	<u>\$ (1,106.2)</u>	<u>\$ (1,158.4)</u>	
30														
31 Tax Rate		31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
32 Tax on Activity		(47.6)	(37.8)	(43.2)	(47.7)	(35.3)	(34.2)	(34.7)	(19.2)	(12.4)	(7.6)	(9.6)	(15.7)	
33														
34 Opening Balance After Tax		\$ (17.9)	\$ (123.7)	\$ (207.7)	\$ (306.3)	\$ (417.6)	\$ (499.9)	\$ (579.6)	\$ (660.6)	\$ (705.3)	\$ (734.1)	\$ (751.9)	\$ (774.2)	
35 Forecast Activity		(105.8)	(84.0)	(96.1)	(111.3)	(82.3)	(79.7)	(81.0)	(44.7)	(28.8)	(17.8)	(22.3)	(36.5)	
36 Closing Balance After Tax - \$000		<u>\$ (123.7)</u>	<u>\$ (207.7)</u>	<u>\$ (303.8)</u>	<u>\$ (417.6)</u>	<u>\$ (499.9)</u>	<u>\$ (579.6)</u>	<u>\$ (660.6)</u>	<u>\$ (705.3)</u>	<u>\$ (734.1)</u>	<u>\$ (751.9)</u>	<u>\$ (774.2)</u>	<u>\$ (810.7)</u>	

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

WITH EXISTING JULY 1, 2008 GAS COST RECOVERY RATES
 (SEPTEMBER 5, 2008 FORWARD PRICES)

Line No.	Particulars	12 months												Total
		Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		41.2	65.3	82.9	101.3	75.9	71.5	38.6	21.6	14.1	9.1	11.6	18.6	551.7
3 T-Service UAF - TJ		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.1	1.0
4														
5 Recovery Unit Cost on Sales - \$/GJ		\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
6 Recovery Unit Cost on T-Service UAF - \$/GJ		\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	\$ 10.151	
7														
8 Recovery on Sales - \$000		\$ 418.2	\$ 662.9	\$ 841.5	\$ 1,028.3	\$ 770.5	\$ 725.8	\$ 391.8	\$ 219.3	\$ 143.1	\$ 92.4	\$ 117.8	\$ 188.8	\$ 5,600.4
9 Recovery on T-Service UAF - \$000		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	1.0	10.0
10 Total Forecast Recovered Gas Costs - \$000		<u>\$ 419.2</u>	<u>\$ 663.9</u>	<u>\$ 842.5</u>	<u>\$ 1,029.3</u>	<u>\$ 771.5</u>	<u>\$ 726.8</u>	<u>\$ 392.8</u>	<u>\$ 220.3</u>	<u>\$ 144.1</u>	<u>\$ 92.4</u>	<u>\$ 117.8</u>	<u>\$ 189.8</u>	<u>\$ 5,610.4</u>
11														
12														
13														
14 INCURRED GAS COSTS														
15 Total Purchases Incl. Company Use and UAF - TJ		41.4	65.6	83.3	101.8	76.3	71.9	38.8	21.8	14.2	9.2	11.7	18.7	554.7
16														
17														
18 Blended Cost - \$/GJ		\$ 7.4371	\$ 8.3597	\$ 8.5219	\$ 8.5637	\$ 8.6145	\$ 8.5056	\$ 7.7134	\$ 7.6487	\$ 7.7094	\$ 7.7850	\$ 7.8456	\$ 7.8658	\$ 96.6
19														
20 Forecast Incurred Gas Costs - \$000		<u>\$ 307.9</u>	<u>\$ 548.4</u>	<u>\$ 709.9</u>	<u>\$ 871.8</u>	<u>\$ 657.3</u>	<u>\$ 611.6</u>	<u>\$ 299.3</u>	<u>\$ 166.7</u>	<u>\$ 109.5</u>	<u>\$ 71.6</u>	<u>\$ 91.8</u>	<u>\$ 147.1</u>	<u>\$ 4,592.9</u>
21														
22														
23														
24														
25														
26 GCRA BALANCE														
27 Opening Balance Before Tax		\$ (1,158.4)	\$ (1,269.7)	\$ (1,385.2)	\$ (1,496.1)	\$ (1,653.6)	\$ (1,767.8)	\$ (1,883.0)	\$ (1,976.5)	\$ (2,030.1)	\$ (2,064.7)	\$ (2,085.5)	\$ (2,111.5)	
28 Forecast Activity		(111.3)	(115.5)	(132.6)	(157.5)	(114.2)	(115.2)	(93.5)	(53.6)	(34.6)	(20.8)	(26.0)	(42.7)	
29 Closing Balance Before Tax		<u>\$ (1,269.7)</u>	<u>\$ (1,385.2)</u>	<u>\$ (1,517.8)</u>	<u>\$ (1,653.6)</u>	<u>\$ (1,767.8)</u>	<u>\$ (1,883.0)</u>	<u>\$ (1,976.5)</u>	<u>\$ (2,030.1)</u>	<u>\$ (2,064.7)</u>	<u>\$ (2,085.5)</u>	<u>\$ (2,111.5)</u>	<u>\$ (2,154.2)</u>	
30														
31 Tax Rate		30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	
32 Tax on Activity		(33.4)	(34.7)	(39.8)	(45.7)	(33.1)	(33.4)	(27.1)	(15.5)	(10.0)	(6.0)	(7.5)	(12.4)	
33														
34 Opening Balance After Tax		\$ (810.7)	\$ (888.6)	\$ (969.4)	\$ (1,062.2)	\$ (1,174.0)	\$ (1,255.1)	\$ (1,336.9)	\$ (1,403.3)	\$ (1,441.4)	\$ (1,466.0)	\$ (1,480.8)	\$ (1,499.3)	
35 Forecast Activity		(77.9)	(80.9)	(92.8)	(111.8)	(81.1)	(81.8)	(66.4)	(38.1)	(24.6)	(14.8)	(18.5)	(30.3)	
36 Closing Balance After Tax - \$000		<u>\$ (888.6)</u>	<u>\$ (969.4)</u>	<u>\$ (1,062.2)</u>	<u>\$ (1,174.0)</u>	<u>\$ (1,255.1)</u>	<u>\$ (1,336.9)</u>	<u>\$ (1,403.3)</u>	<u>\$ (1,441.4)</u>	<u>\$ (1,466.0)</u>	<u>\$ (1,480.8)</u>	<u>\$ (1,499.3)</u>	<u>\$ (1,529.6)</u>	

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

Line No.	Particulars	Oct 1, 2008 Forecast with Aug 27, 2008 Forward Prices (Quarterly Test Rates)	Oct 1, 2008 Forecast with Sept 5, 2008 Forward Prices (Quarterly Test Rates)	Oct 1, 2008 Revised Less Previous Forecast Difference
	(1)	(2)	(3)	(4) = (3)-(2)
1	Station No. 2 - \$CDN/GJ			
2	2008 January	\$ 6.46	\$ 6.46	\$ -
3	February	\$ 7.26	\$ 7.26	-
4	March	\$ 7.47	\$ 7.47	-
5	April	\$ 8.19	\$ 8.19	-
6	May	\$ 9.41	\$ 9.41	-
7	June	\$ 9.67	\$ 9.67	-
8	July	Recorded \$ 10.59	Recorded \$ 10.59	-
9	August	Projected \$ 7.25	Projected \$ 7.25	-
10	September	Forecast \$ 6.20	Forecast \$ 6.48	0.28
11	October	\$ 6.98	\$ 6.04	(0.94)
12	November	\$ 7.89	\$ 7.17	(0.72)
13	December	\$ 8.39	\$ 7.62	(0.77)
14	Simple Average (Jan, 2008 - Dec, 2008)	\$ 7.98	\$ 7.80	-2.3% \$ (0.18)
15	Simple Average (Apr, 2008 - Mar, 2009)	\$ 8.37	\$ 8.00	-4.4% \$ (0.37)
16	Simple Average (Jul, 2008 - Jun, 2009)	\$ 8.07	\$ 7.59	-5.9% \$ (0.48)
17	Simple Average (Oct, 2008 - Sep, 2009)	\$ 8.10	\$ 7.48	-7.7% \$ (0.62)
18	2009 January	\$ 8.61	\$ 7.88	(0.73)
19	February	\$ 8.70	\$ 7.94	(0.76)
20	March	\$ 8.52	\$ 7.80	(0.72)
21	April	\$ 7.87	\$ 7.37	(0.50)
22	May	\$ 7.87	\$ 7.40	(0.47)
23	June	\$ 7.96	\$ 7.50	(0.46)
24	July	\$ 8.06	\$ 7.62	(0.44)
25	August	\$ 8.13	\$ 7.70	(0.43)
26	September	\$ 8.16	\$ 7.74	(0.42)
27	October	\$ 8.24	\$ 7.82	(0.42)
28	November	\$ 8.85	\$ 8.56	(0.29)
29	December	\$ 9.18	\$ 8.91	(0.27)
30	Simple Average (Jan, 2009 - Dec, 2009)	\$ 8.35	\$ 7.85	-6.0% \$ (0.50)
31	Simple Average (Apr, 2009 - Mar, 2010)	\$ 8.52	\$ 8.15	-4.3% \$ (0.37)
32	Simple Average (Jul, 2009 - Jun, 2010)	\$ 8.53	\$ 8.23	-3.5% \$ (0.30)
33	Simple Average (Oct, 2009 - Sep, 2010)	\$ 8.52	\$ 8.30	-2.6% \$ (0.22)
34	2010 January	\$ 9.41	\$ 9.14	\$ (0.27)
35	February	\$ 9.37	\$ 9.11	(0.26)
36	March	\$ 9.13	\$ 8.88	(0.25)
37	April	\$ 7.98	\$ 7.80	(0.18)
38	May	\$ 7.88	\$ 7.72	(0.16)
39	June	\$ 7.96	\$ 7.80	(0.16)
40	July	\$ 8.04	\$ 7.89	(0.15)
41	August	\$ 8.11	\$ 7.97	(0.14)
42	September	\$ 8.14	\$ 7.99	(0.15)

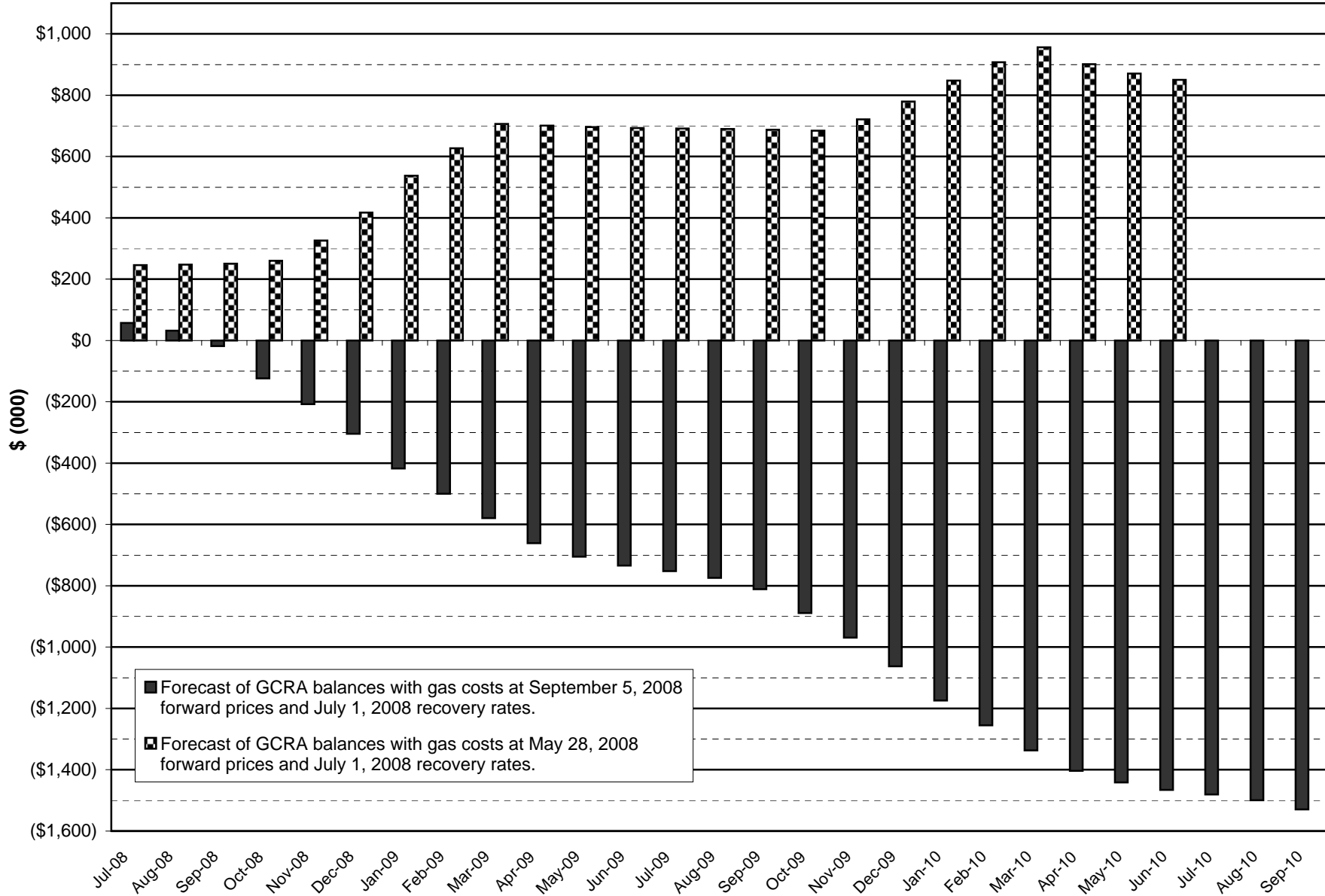
TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES (\$000)
 FOR THE PERIOD ENDING SEPTEMBER 30, 2010
 WITH EXISTING GAS COST RECOVERY RATES

Tab 1
 Page 4.0
 (Revised)

Line No.	Particulars	2008 Q3 Gas Cost Report		2008 Q2 Gas Cost Report	
		Jul 1, 2008 Gas Cost Recovery Rates (Sept 5, 2008 Forward Prices)		Jul 1, 2008 Gas Cost Recovery Rates (May 28, 2008 Forward Prices)	
	(1)	(2)		(3)	
1	2008 January	\$	55.1	\$	55.1
2	February	\$	155.9	\$	155.9
3	March	\$	254.0	\$	254.0
4	April	\$	225.5	Recorded \$	225.5
5	May	\$	152.6	Projected \$	237.7
6	June	\$	153.6	\$	244.9
7	July	Recorded \$	57.4	\$	245.9
8	August	Projected \$	32.4	\$	247.6
9	September	\$	(17.9)	\$	250.6
10	October	\$	(123.7)	\$	260.0
11	November	\$	(207.7)	\$	325.8
12	December	\$	(303.8)	\$	416.9
13	2009 January	\$	(417.6)	\$	537.6
14	February	\$	(499.9)	\$	627.2
15	March	\$	(579.6)	\$	706.4
16	April	\$	(660.6)	\$	700.5
17	May	\$	(705.3)	\$	696.0
18	June	\$	(734.1)	\$	693.1
19	July	\$	(751.9)	\$	691.6
20	August	\$	(774.2)	\$	689.9
21	September	\$	(810.7)	\$	687.4
22	October	\$	(888.6)	\$	684.2
23	November	\$	(969.4)	\$	721.6
24	December	\$	(1,062.2)	\$	779.5
25	2010 January	\$	(1,174.0)	\$	847.9
26	February	\$	(1,255.1)	\$	907.1
27	March	\$	(1,336.9)	\$	956.4
28	April	\$	(1,403.3)	\$	901.4
29	May	\$	(1,441.4)	\$	870.2
30	June	\$	(1,466.0)	\$	849.9
31	July	\$	(1,480.8)		
32	August	\$	(1,499.3)		
33	September	\$	(1,529.6)		

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

Tab 1
 Page 4.1
 (Revised)



Tab 1
 Page 4.1
 (Revised)

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

WITH PROPOSED OCTOBER 1, 2008 GAS COST RECOVERY RATES
 (SEPTEMBER 5, 2008 FORWARD PRICES)

Line No.	Particulars	12 months Oct08-Sep09 Forecast												
		Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	42.4	67.9	84.5	101.8	76.3	71.8	38.9	21.7	14.1	9.2	11.7	18.8	559.1
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.1	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.868	\$ 6.868	\$ 6.868	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	
7														
8	Recovery on Sales - \$000	\$ 342.5	\$ 548.5	\$ 682.6	\$ 822.3	\$ 616.4	\$ 580.0	\$ 314.2	\$ 175.3	\$ 113.9	\$ 74.3	\$ 94.5	\$ 151.9	\$ 4,516.4
9	Recovery on T-Service UAF - \$000	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	-	-	0.8	7.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 343.2</u>	<u>\$ 549.2</u>	<u>\$ 683.3</u>	<u>\$ 823.1</u>	<u>\$ 617.2</u>	<u>\$ 580.8</u>	<u>\$ 315.0</u>	<u>\$ 176.1</u>	<u>\$ 114.7</u>	<u>\$ 74.3</u>	<u>\$ 94.5</u>	<u>\$ 152.7</u>	<u>\$ 4,524.1</u>
11														
12														
13														
14	INCURRED GAS COSTS													
15	Total Purchases Incl. Company Use and UAF - TJ	42.7	68.3	84.9	102.3	76.7	72.2	39.1	21.9	14.2	9.3	11.8	18.9	563.5
16														
17														
18	Blended Cost - \$/GJ	\$ 6.5025	\$ 8.3192	\$ 8.4714	\$ 8.5577	\$ 8.5770	\$ 8.5303	\$ 7.1671	\$ 7.1852	\$ 7.2456	\$ 7.3150	\$ 7.3646	\$ 7.3858	\$ 93.2
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 277.7</u>	<u>\$ 568.2</u>	<u>\$ 719.2</u>	<u>\$ 875.4</u>	<u>\$ 657.9</u>	<u>\$ 615.9</u>	<u>\$ 280.2</u>	<u>\$ 157.4</u>	<u>\$ 102.9</u>	<u>\$ 68.0</u>	<u>\$ 86.9</u>	<u>\$ 139.6</u>	<u>\$ 4,549.3</u>
21														
22														
23														
24														
25														
26	GCRA BALANCE													
27	Opening Balance Before Tax	\$ (26.0)	\$ (91.5)	\$ (72.5)	\$ (39.6)	\$ 12.7	\$ 53.4	\$ 88.5	\$ 53.7	\$ 35.0	\$ 23.2	\$ 16.9	\$ 9.3	
28	Forecast Activity	(65.5)	19.0	35.9	52.3	40.7	35.1	(34.8)	(18.7)	(11.8)	(6.3)	(7.6)	(13.1)	
29	Closing Balance Before Tax	<u>\$ (91.5)</u>	<u>\$ (72.5)</u>	<u>\$ (36.6)</u>	<u>\$ 12.7</u>	<u>\$ 53.4</u>	<u>\$ 88.5</u>	<u>\$ 53.7</u>	<u>\$ 35.0</u>	<u>\$ 23.2</u>	<u>\$ 16.9</u>	<u>\$ 9.3</u>	<u>\$ (3.8)</u>	
30														
31	Tax Rate	31.00%	31.00%	31.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
32	Tax on Activity	(20.3)	5.9	11.1	15.7	12.2	10.5	(10.4)	(5.6)	(3.5)	(1.9)	(2.3)	(3.9)	
33														
34	Opening Balance After Tax	\$ (17.9)	\$ (63.1)	\$ (50.0)	\$ (27.7)	\$ 8.9	\$ 37.4	\$ 62.0	\$ 37.6	\$ 24.5	\$ 16.2	\$ 11.8	\$ 6.5	
35	Forecast Activity	(45.2)	13.1	24.8	36.6	28.5	24.6	(24.4)	(13.1)	(8.3)	(4.4)	(5.3)	(9.2)	
36	Closing Balance After Tax - \$000	<u>\$ (63.1)</u>	<u>\$ (50.0)</u>	<u>\$ (25.2)</u>	<u>\$ 8.9</u>	<u>\$ 37.4</u>	<u>\$ 62.0</u>	<u>\$ 37.6</u>	<u>\$ 24.5</u>	<u>\$ 16.2</u>	<u>\$ 11.8</u>	<u>\$ 6.5</u>	<u>\$ (2.7)</u>	

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

WITH PROPOSED OCTOBER 1, 2008 GAS COST RECOVERY RATES
 (SEPTEMBER 5, 2008 FORWARD PRICES)

Line No.	Particulars	12 months Oct09-Sep10 Forecast												
		Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	41.2	65.3	82.9	101.3	75.9	71.5	38.6	21.6	14.1	9.1	11.6	18.6	551.7
3	T-Service UAF - TJ	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.1	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078	\$ 8.078
7														
8	Recovery on Sales - \$000	\$ 332.8	\$ 527.5	\$ 669.7	\$ 818.3	\$ 613.1	\$ 577.6	\$ 311.8	\$ 174.5	\$ 113.9	\$ 73.5	\$ 93.7	\$ 150.3	\$ 4,456.7
9	Recovery on T-Service UAF - \$000	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	-	-	0.8	8.0
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 333.6</u>	<u>\$ 528.3</u>	<u>\$ 670.5</u>	<u>\$ 819.1</u>	<u>\$ 613.9</u>	<u>\$ 578.4</u>	<u>\$ 312.6</u>	<u>\$ 175.3</u>	<u>\$ 114.7</u>	<u>\$ 73.5</u>	<u>\$ 93.7</u>	<u>\$ 151.1</u>	<u>\$ 4,464.7</u>
11														
12														
13														
14	INCURRED GAS COSTS													
15	Total Purchases Incl. Company Use and UAF - TJ	41.4	65.6	83.3	101.8	76.3	71.9	38.8	21.8	14.2	9.2	11.7	18.7	554.7
16														
17														
18	Blended Cost - \$/GJ	\$ 7.4371	\$ 8.3597	\$ 8.5219	\$ 8.5637	\$ 8.6145	\$ 8.5056	\$ 7.7134	\$ 7.6487	\$ 7.7094	\$ 7.7850	\$ 7.8456	\$ 7.8658	\$ 96.6
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 307.9</u>	<u>\$ 548.4</u>	<u>\$ 709.9</u>	<u>\$ 871.8</u>	<u>\$ 657.3</u>	<u>\$ 611.6</u>	<u>\$ 299.3</u>	<u>\$ 166.7</u>	<u>\$ 109.5</u>	<u>\$ 71.6</u>	<u>\$ 91.8</u>	<u>\$ 147.1</u>	<u>\$ 4,592.9</u>
21														
22														
23														
24														
25														
26	GCRA BALANCE													
27	Opening Balance Before Tax	\$ (3.8)	\$ (29.5)	\$ (9.4)	\$ 29.6	\$ 82.3	\$ 125.7	\$ 158.9	\$ 145.6	\$ 137.0	\$ 131.8	\$ 129.9	\$ 128.0	
28	Forecast Activity	(25.7)	20.1	39.4	52.7	43.4	33.2	(13.3)	(8.6)	(5.2)	(1.9)	(1.9)	(4.0)	
29	Closing Balance Before Tax	<u>\$ (29.5)</u>	<u>\$ (9.4)</u>	<u>\$ 30.0</u>	<u>\$ 82.3</u>	<u>\$ 125.7</u>	<u>\$ 158.9</u>	<u>\$ 145.6</u>	<u>\$ 137.0</u>	<u>\$ 131.8</u>	<u>\$ 129.9</u>	<u>\$ 128.0</u>	<u>\$ 124.0</u>	
30														
31	Tax Rate	30.00%	30.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	
32	Tax on Activity	(7.7)	6.0	11.8	15.3	12.6	9.6	(3.9)	(2.5)	(1.5)	(0.6)	(0.6)	(1.2)	
33														
34	Opening Balance After Tax	\$ (2.7)	\$ (20.7)	\$ (6.6)	\$ 21.0	\$ 58.4	\$ 89.2	\$ 112.8	\$ 103.4	\$ 97.3	\$ 93.6	\$ 92.3	\$ 91.0	
35	Forecast Activity	(18.0)	14.1	27.6	37.4	30.8	23.6	(9.4)	(6.1)	(3.7)	(1.3)	(1.3)	(2.8)	
36	Closing Balance After Tax - \$000	<u>\$ (20.7)</u>	<u>\$ (6.6)</u>	<u>\$ 21.0</u>	<u>\$ 58.4</u>	<u>\$ 89.2</u>	<u>\$ 112.8</u>	<u>\$ 103.4</u>	<u>\$ 97.3</u>	<u>\$ 93.6</u>	<u>\$ 92.3</u>	<u>\$ 91.0</u>	<u>\$ 88.2</u>	

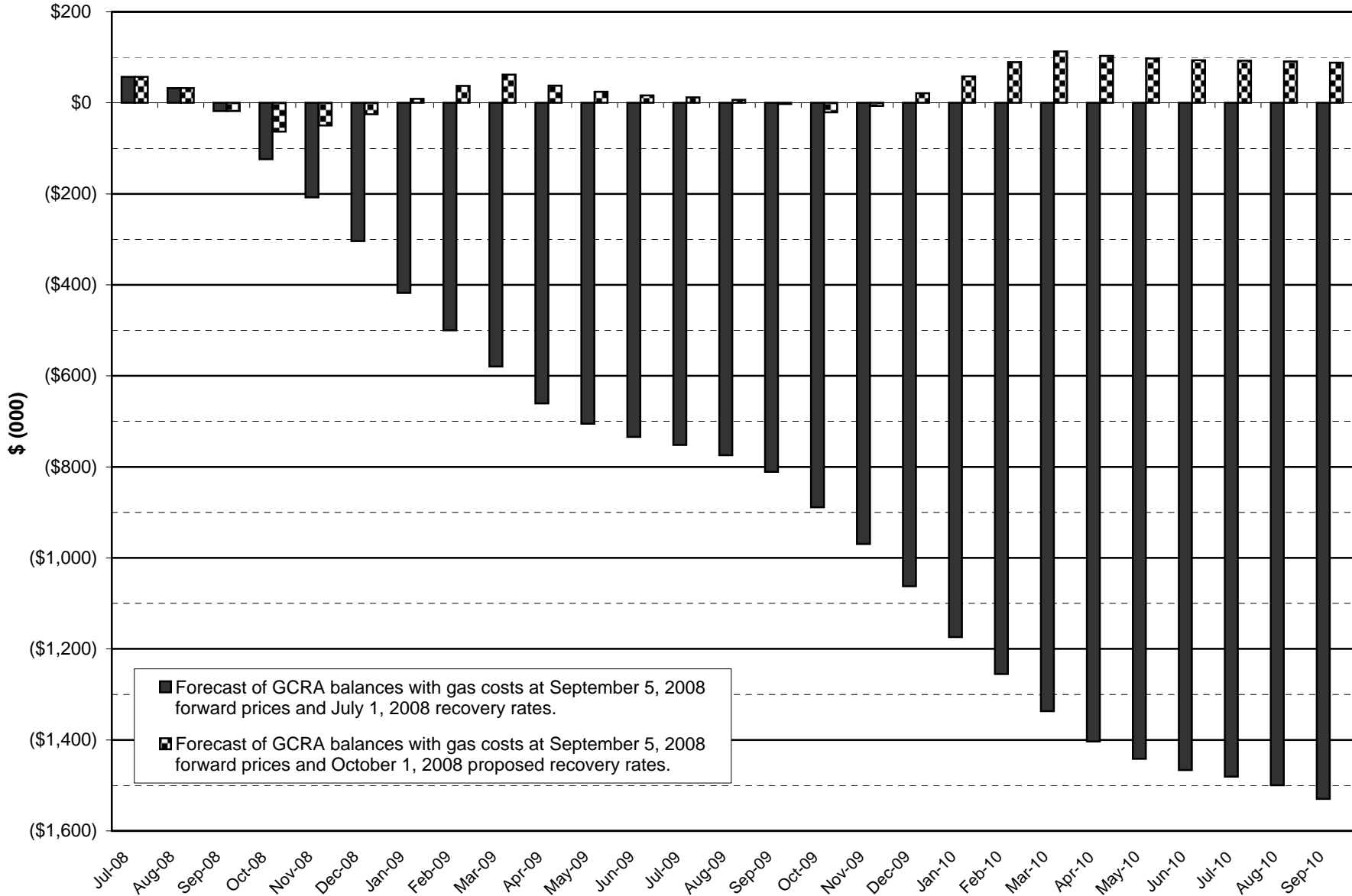
TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES (\$000)
 FOR THE PERIOD ENDING SEPTEMBER 2010
COMPARISON OF PROPOSED OCTOBER 1, 2008 RATES TO EXISTING RATES

Tab 2
 Page 2.0
 (Revised)

Line No.	Particulars	2008 Q3 Gas Cost Report Proposed Oct 1, 2008 Rates (Sept 5, 2008 Forward Prices)		2008 Q3 Gas Cost Report Jul 1, 2008 Gas Cost Recovery Rates (Sept 5, 2008 Forward Prices)	
		(1)	(2)	(3)	(4)
1	2008 January		\$ 55.1	\$	55.1
2	February		\$ 155.9	\$	155.9
3	March		\$ 254.0	\$	254.0
4	April		\$ 225.5	\$	225.5
5	May		\$ 152.6	\$	152.6
6	June		\$ 153.6	\$	153.6
7	July	Recorded	\$ 57.4	Recorded	\$ 57.4
8	August	Projected	\$ 32.4	Projected	\$ 32.4
9	September		\$ (17.9)	\$	(17.9)
10	October		\$ (63.1)	\$	(123.7)
11	November		\$ (50.0)	\$	(207.7)
12	December		\$ (25.2)	\$	(303.8)
13	2009 January		\$ 8.9	\$	(417.6)
14	February		\$ 37.4	\$	(499.9)
15	March		\$ 62.0	\$	(579.6)
16	April		\$ 37.6	\$	(660.6)
17	May		\$ 24.5	\$	(705.3)
18	June		\$ 16.2	\$	(734.1)
19	July		\$ 11.8	\$	(751.9)
20	August		\$ 6.5	\$	(774.2)
21	September		\$ (2.7)	\$	(810.7)
22	October		\$ (20.7)	\$	(888.6)
23	November		\$ (6.6)	\$	(969.4)
24	December		\$ 21.0	\$	(1,062.2)
25	2010 January		\$ 58.4	\$	(1,174.0)
26	February		\$ 89.2	\$	(1,255.1)
27	March		\$ 112.8	\$	(1,336.9)
28	April		\$ 103.4	\$	(1,403.3)
29	May		\$ 97.3	\$	(1,441.4)
30	June		\$ 93.6	\$	(1,466.0)
31	July		\$ 92.3	\$	(1,480.8)
32	August		\$ 91.0	\$	(1,499.3)
33	September		\$ 88.2	\$	(1,529.6)

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

Tab 2
 Page 2.1
 (Revised)



Tab 2
 Page 2.1
 (Revised)

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
 RATE 1 DOMESTIC SERVICE
 PROPOSED OCTOBER 1, 2008
 BCUC ORDER No. G-xx-08

Tab 3
 Page 1
(Revised)

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	July 1, 2008 Existing Rates (4)	Gas Cost Changes (5)	October 1, 2008 Proposed Rates (6)
1	Rate 1	No. 1	<u>Option A</u>			
2						
3			Minimum Monthly Charge			
4			plus \$1.19 times			
5			the amount of the promotional			
6			incentive divided by \$100.			
7			(includes the first 2 Gigajoules)			
8						
9			Delivery Charge per Month	\$5.33	\$0.00	\$5.33
10			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.10)	\$0.00	(\$0.10)
11			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
12			Gas Cost Recovery Charge per Month	\$20.31	(\$4.15)	\$16.16
13			Minimum Monthly Charge (includes first 2 gigajoules)	\$25.77	(\$4.15)	\$21.62
14						
15			Delivery Charge per GJ	\$1.489	\$0.000	\$1.489
16			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
17			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
18			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
19			Next 28 Gigajoules in any month	\$11.706	(\$2.073)	\$9.633
20						
21			Delivery Charge per GJ	\$1.446	\$0.000	\$1.446
22			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
23			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
24			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
25			Excess of 30 Gigajoules in any month	\$11.663	(\$2.073)	\$9.590
26						
27						
28	Rate 1	No. 1.1	<u>Option B</u>			
29						
30			Delivery Charge per Month	\$5.33	\$0.00	\$5.33
31			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.10)	\$0.00	(\$0.10)
32			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
33			Gas Cost Recovery Charge per Month	\$20.31	(\$4.15)	\$16.16
34			Minimum Monthly Charge (includes first 2 gigajoules)	\$25.77	(\$4.15)	\$21.62
35						
36			Delivery Charge per GJ	\$1.489	\$0.000	\$1.489
37			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
38			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
39			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
40			Next 28 Gigajoules in any month	\$11.706	(\$2.073)	\$9.633
41						
42			Delivery Charge per GJ	\$1.446	\$0.000	\$1.446
43			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.050)	\$0.000	(\$0.050)
44			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
45			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
46			Excess of 30 Gigajoules in any month	\$11.663	(\$2.073)	\$9.590

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
 RATES 2.1, 2.2 & 2.3 GENERAL SERVICE
 PROPOSED OCTOBER 1, 2008
 BCUC ORDER No. G-xx-08

Tab 3
 Page 2
 (Revised)

Line No.	Schedule	Tariff Page	Particulars	July 1, 2008 Existing Rates	Gas Cost Changes	October 1, 2008 Proposed Rates
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$16.27	\$0.00	\$16.27
2			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.13)	\$0.00	(\$0.13)
3			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
4			Gas Cost Recovery Charge per Month	\$20.31	(\$4.15)	\$16.16
5			Minimum Monthly Charge (includes first 2 gigajoules)	\$36.68	(\$4.15)	\$32.53
6						
7			Delivery Charge per GJ	\$1.664	\$0.000	\$1.664
8			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
9			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
10			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
11			Next 298 Gigajoules in any month	\$11.865	(\$2.073)	\$9.792
12						
13			Delivery Charge per GJ	\$1.612	\$0.000	\$1.612
14			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
15			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
16			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
17			Excess of 300 Gigajoules in any month	\$11.813	(\$2.073)	\$9.740
18						
19	Rate 2.2	No. 2	Delivery Charge per Month	\$16.27	\$0.00	\$16.27
20			Feb to Mar 2008 Delivery Rate Rebate per Month	(\$0.13)	\$0.00	(\$0.13)
21			Revenue Stabilization Adjustment Amount per Month	\$0.23	\$0.00	\$0.23
22			Gas Cost Recovery Charge per Month	\$20.31	(\$4.15)	\$16.16
23			Minimum Monthly Charge (includes first 2 gigajoules)	\$36.68	(\$4.15)	\$32.53
24						
25			Delivery Charge per GJ	\$1.664	\$0.000	\$1.664
26			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
27			Revenue Stabilization Adjustment Amount per GJ	\$0.116	\$0.000	\$0.116
28			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
29			Next 298 Gigajoules in any month	\$11.865	(\$2.073)	\$9.792
30						
31			Delivery Charge per GJ	\$1.612	\$0.000	\$1.612
32			Feb to Mar 2008 Delivery Rate Rebate per GJ	(\$0.066)	\$0.000	(\$0.066)
33			Revenue Stabilization Adjustment Amount per GJ	0.116	\$0.000	\$0.116
34			Gas Cost Recovery Charge per GJ	10.151	(\$2.073)	8.078
35			Excess of 300 Gigajoules in any month	\$11.813	(\$2.073)	\$9.740
36						
37	Rate 2.3	No. 2.1	Delivery Charge per Month	\$16.54	\$0.00	\$16.54
38			Gas Cost Recovery Charge per Month	\$20.31	(\$4.15)	\$16.16
39			Minimum Monthly Charge (includes first 2 gigajoules)	\$36.85	(\$4.15)	\$32.70
40						
41			Delivery Charge per GJ	\$2.033	\$0.000	\$2.033
42			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
43			Next 298 Gigajoules in any month	\$12.184	(\$2.073)	\$10.111
44						
45			Delivery Charge per GJ	\$1.981	\$0.000	\$1.981
46			Gas Cost Recovery Charge per GJ	\$10.151	(\$2.073)	\$8.078
47			Excess of 300 Gigajoules in any month	\$12.132	(\$2.073)	\$10.059

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
 RATES 3.1, 3.2 & 3.3 INDUSTRIAL SERVICE
 PROPOSED OCTOBER 1, 2008
 BCUC ORDER No. G-xx-08

Tab 3
 Page 3
(Revised)

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	July 1, 2008 Existing Rates (4)	Gas Cost Changes (5)	October 1, 2008 Proposed Rates (6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
4			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
5			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
6						
7			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
8			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$2.073)	\$8.078
9						
10			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
16			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
17			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
18						
19			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
20			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$2.073)	\$8.078
21						
22			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$1.407	\$0.000	\$1.407
28			Next 260 Gigajoules in any month	\$1.304	\$0.000	\$1.304
29			Excess over 280 Gigajoules in any month	\$1.063	\$0.000	\$1.063
30						
31			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	0.116	\$0.000	\$0.116
32			Gas Cost Recovery Charge per Gigajoule	\$10.151	(\$2.073)	\$8.078
33						
34			Minimum Monthly Delivery Charge	\$1,076.00	\$0.00	\$1,076.00

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

Tab 4
 PAGE 1
 RATE 1 - DOMESTIC SERVICE
(Revised)

RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B

Line No.	Existing July 1, 2008 Rates			Proposed October 1, 2008 Rates			Annual Increase/(Decrease)				
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill		
1	Rate 1 Domestic Service Option B										
2											
3	<u>Monthly Charge</u>										
4	12 months x	\$5.33	\$63.96	12 months x	\$5.33	\$63.96	\$0.00	\$0.00	0.00%		
5	12 months x	(0.10)	(1.20)	12 months x	(0.10)	(1.20)	0.00	0.00	0.00%		
6	12 months x	0.23	2.76	12 months x	0.23	2.76	0.00	0.00	0.00%		
7	12 months x	20.31	243.72	12 months x	16.16	193.92	(4.15)	(49.80)	-2.62%		
8			\$25.77	\$309.24			\$21.62	\$259.44	(4.15)	(49.80)	-2.62%
9											
10	<u>Next 28 Gigajoules in any month</u>										
11	136 GJ x	\$1.489	\$202.50	136 GJ x	\$1.489	\$202.50	\$0.000	\$0.00	0.00%		
12	136 GJ x	(0.050)	(6.80)	136 GJ x	(0.050)	(6.80)	0.000	0.00	0.00%		
13	136 GJ x	0.116	15.78	136 GJ x	0.116	15.78	0.000	0.00	0.00%		
14	136 GJ x	10.151	1,380.54	136 GJ x	8.078	1,098.61	(2.073)	(281.93)	-14.83%		
15			\$11.706	\$1,592.02			\$9.633	\$1,310.09	(2.073)	(281.93)	-14.83%
16											
17	<u>Excess of 30 Gigajoules in any month</u>										
18	0 GJ x	\$1.446	\$0.00	0 GJ x	\$1.446	\$0.00	\$0.000	\$0.00	0.00%		
19	0 GJ x	(0.050)	0.00	0 GJ x	(0.050)	0.00	0.000	0.00	0.00%		
20	0 GJ x	0.116	0.00	0 GJ x	0.116	0.00	0.000	0.00	0.00%		
21	0 GJ x	10.151	0.00	0 GJ x	8.078	0.00	(2.073)	0.00	0.00%		
22			\$11.663	\$0.00			\$9.590	\$0.00	(2.073)	\$0.00	0.00%
23											
24	Total	160 GJ	\$1,901.26	160 GJ	\$1,569.53			(\$331.73)	-17.45%		
25											
26	<u>Summary of Annual Delivery and Commodity Charges</u>										
27			\$277.00	\$277.00			\$0.00	\$0.00	0.00%		
28			1,624.26	1,292.53			(331.73)		-17.45%		
29			\$1,901.26	\$1,569.53			(\$331.73)		-17.45%		

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

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing July 1, 2008 Rates			Proposed October 1, 2008 Rates			Annual Increase/(Decrease)		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 2.1 General Service								
2									
3	<u>Monthly Charge</u>								
4	12 months x	\$16.27 =	\$195.24	12 months x	\$16.27 =	\$195.24	\$0.00	\$0.00	0.00%
5	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per month	(0.13) =	(1.56)	12 months x	(0.13) =	(1.56)	0.00	0.00	0.00%
6	Rider 5 - RSAM per month	0.23 =	2.76	12 months x	0.23 =	2.76	0.00	0.00	0.00%
7	Gas Cost Recovery Charge per month	20.31 =	243.72	12 months x	16.16 =	193.92	(4.15)	(49.80)	-0.75%
8	Minimum Monthly Charge (includes the first 2 gigajoules)	\$36.68	\$440.16		\$32.53	\$390.36	(\$4.15)	(\$49.80)	-0.75%
9									
10	<u>Next 298 Gigajoules in any month</u>								
11	526 GJ x	\$1.664 =	\$875.26	526 GJ x	\$1.664 =	\$875.26	\$0.000	\$0.00	0.00%
12	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	(0.066) =	(34.72)	526 GJ x	(0.066) =	(34.72)	0.000	0.00	0.00%
13	Rider 5 - RSAM per GJ	0.116 =	61.02	526 GJ x	0.116 =	61.02	0.000	0.00	0.00%
14	Gas Cost Recovery Charge per GJ	10.151 =	5,339.43	526 GJ x	8.078 =	4,249.03	(2.073)	(1,090.40)	-16.32%
15	Total Charges per GJ	\$11.865	\$6,240.99		\$9.792	\$5,150.59	(\$2.073)	(\$1,090.40)	-16.32%
16									
17	<u>Excess of 300 Gigajoules in any month</u>								
18	0 GJ x	\$1.612 =	\$0.00	0 GJ x	\$1.612 =	\$0.00	\$0.000	\$0.00	0.00%
19	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	(0.066) =	0.00	0 GJ x	(0.066) =	0.00	0.000	0.00	0.00%
20	Rider 5 - RSAM per GJ	0.116 =	0.00	0 GJ x	0.116 =	0.00	0.000	0.00	0.00%
21	Gas Cost Recovery Charge per GJ	10.151 =	0.00	0 GJ x	8.078 =	0.00	(2.073)	0.00	0.00%
22	Total Charges per GJ	\$11.813	\$0.00		\$9.740	\$0.00	(\$2.073)	\$0.00	0.00%
23									
24	Total	550 GJ	\$6,681.15	550 GJ	\$5,540.95		(\$1,140.20)		-17.07%
25									
26	<u>Summary of Annual Delivery and Commodity Charges</u>								
27	Delivery Charge (including RSAM)		\$1,098.00			\$1,098.00	\$0.00		0.00%
28	Commodity Charge		5,583.15			4,442.95	(1,140.20)		-17.07%
29	Total		\$6,681.15			\$5,540.95	(\$1,140.20)		-17.07%

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

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing July 1, 2008 Rates			Proposed October 1, 2008 Rates			Annual Increase/(Decrease)			
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill	
1	Rate 2.2 General Service									
2										
3	<u>Monthly Charge</u>									
4	Delivery Charge per month	12 months x	\$16.27 =	\$195.24	12 months x	\$16.27 =	\$195.24	\$0.00	\$0.00	0.00%
5	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per month	12 months x	(0.13) =	(1.56)	12 months x	(0.13) =	(1.56)	0.00	0.00	0.00%
6	Rider 5 - RSAM per month	12 months x	0.23 =	2.76	12 months x	0.23 =	2.76	0.00	0.00	0.00%
7	Gas Cost Recovery Charge per month	12 months x	20.31 =	243.72	12 months x	16.16 =	193.92	(4.15)	(49.80)	-0.12%
8	Minimum Monthly Charge (includes the first 2 gigajoules)		\$36.68	\$440.16		\$32.53	\$390.36	(\$4.15)	(\$49.80)	-0.12%
9										
10	<u>Next 298 Gigajoules in any month</u>									
11	Delivery Charge per GJ	3,326	GJ x \$1.664 =	\$5,534.46	3,326	GJ x \$1.664 =	\$5,534.46	\$0.000	\$0.00	0.00%
12	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	3,326	GJ x (0.066) =	(219.52)	3,326	GJ x (0.066) =	(219.52)	0.000	0.00	0.00%
13	Rider 5 - RSAM per GJ	3,326	GJ x 0.116 =	385.82	3,326	GJ x 0.116 =	385.82	0.000	0.00	0.00%
14	Gas Cost Recovery Charge per GJ	3,326	GJ x 10.151 =	33,762.23	3,326	GJ x 8.078 =	26,867.43	(2,073)	(6,894.80)	-17.28%
15	Total Charges per GJ		\$11.865	\$39,462.99		\$9.792	\$32,568.19	(\$2,073)	(\$6,894.80)	-17.28%
16										
17	<u>Excess of 300 Gigajoules in any month</u>									
18	Delivery Charge per GJ	0	GJ x \$1.612 =	\$0.00	0	GJ x \$1.612 =	\$0.00	\$0.000	\$0.00	0.00%
19	Rider 2 - Feb to Mar 2008 Delivery Rate Rebate per GJ	0	GJ x (0.066) =	0.00	0	GJ x (0.066) =	0.00	0.000	0.00	0.00%
20	Rider 5 - RSAM per GJ	0	GJ x 0.116 =	0.00	0	GJ x 0.116 =	0.00	0.000	0.00	0.00%
21	Gas Cost Recovery Charge per GJ	0	GJ x 10.151 =	0.00	0	GJ x 8.078 =	0.00	(2,073)	0.00	0.00%
22	Total Charges per GJ		\$11.813	\$0.00		\$9.740	\$0.00	(\$2,073)	\$0.00	0.00%
23										
24	Total	<u>3,350</u>	GJ	<u>\$39,903.15</u>	<u>3,350</u>	GJ	<u>\$32,958.55</u>		<u>(\$6,944.60)</u>	-17.40%
25										
26	<u>Summary of Annual Delivery and Commodity Charges</u>									
27	Delivery Charge (including RSAM)			\$5,897.20			\$5,897.20	\$0.00	0.00%	
28	Commodity Charge			34,005.95			27,061.35	(6,944.60)	-17.40%	
29	Total			<u>\$39,903.15</u>			<u>\$32,958.55</u>	<u>(\$6,944.60)</u>	-17.40%	