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October 24, 2008

B.C. Sustainable Energy Association and
Sierra Club of Canada (British Columbia Chapter)
1958 Parkside Lane
North Vancouver, BC
V7G 1X5

Attention:      Mr. William J. Andrews, Barrister & Solicitor

Dear Mr. Andrews:

**Re:      Terasen Gas Inc.  and Terasen Gas (Vancouver Island) Inc. (collectively the "Companies" or the "Terasen Utilities")**
**Energy Efficiency and Conservation Programs Application - Project No. 3698512**

**Terasen Utilities Information Request ("IR") No. 1 to the B.C. Sustainable Energy Association and Sierra Club of Canada (British Columbia Chapter) ("BCSEA SCBC") on Evidence (Exhibits C5-5 and C5-6)**

On May 28, 2008, the Companies filed the Application as referenced above.  In accordance with the British Columbia Utilities Commission Order No. G-130-08 setting out the Regulatory Timetable for the Application, the Terasen Utilities respectfully submit the attached IR No. 1 to BCSEA SCBC Evidence.

If there are any questions regarding the attached, please contact the undersigned.

Yours very truly,

**On behalf of the TERASEN UTILITIES**

*Original signed:*

Tom A. Loski

Attachment

cc:  Erica M. Hamilton, Commission Secretary, BCUC
     Registered Parties (e-mail only)

| Terasen Gas Inc ("Terasen Gas" or "TGI") and Terasen Gas (Vancouver Island) Inc. ("TGVI") collectively the "Terasen Utilities" or the "Companies" <br><br> Energy Efficiency and Conservation Programs Application (the "Application") | Submission Date: October 24, 2008 |
|---|---|
| Terasen Utilities Information Request ("IR") No. 1 to <br><br> Response to B.C. Sustainable Energy Association and Sierra Club of Canada (British Columbia Chapter) ("BCSEA SCBC") on Evidence | Page 1 |

**1.    Reference:  Section VI – Conclusions and Recommendations – Conclusion No. 7**

1.1    Please confirm that the conclusion contemplates that the Terasen Utilities finance the "extended repayment terms" to which Conclusion No. 7 refers.

1.2    If so, please confirm that the "extended repayment terms" to which Conclusion No. 7 refers result in increased risk of non-repayment to ratepayers.

**2.    Reference:  Exhibit JJP-3**

2.1    Please provide public sources for all data used in Exhibit JJP-3, with the exception of the Terasen Utilities data.

2.2    Please correct the unit of measure for each utility in the "Savings", and "Sales" column, as GJ is incorrect.  In the case of the Terasen Utilities, it would appear that the unit of measure should be PJ.

2.3    Please provide any recalculations resulting from the above.

2.4    Please confirm that although the "Cost" and "Savings" indicated for the Terasen Utilities are for TGI and TGVI combined, the "Sales" and "Savings % of Sales" are for TGI alone.

2.5    Please recalculate the "Sales" and "Savings % of Sales" using the combined TGI and TGVI numbers.

2.6    The Terasen Utilities' proposed EEC portfolio does not include any custom projects or any EEC activity for industrial customers, including industrial process efficiency.  Rather, the Terasen Companies' Non-Residential EEC activity is activity related to Commercial and Institutional buildings.  However, in the case of at least one of the other utilities detailed in Exhibit JJP-3, Union Gas, the Non-Residential Activity includes custom projects for "Distribution Contract" customers, and in fact, this program area provides the largest proportion of savings in the "Non-Residential" figures for Union Gas.  In order to compare like to like, please re-calculate the findings for the "Non-Residential" sector for Union Gas excluding any activity that is not activity related to Commercial and Institutional buildings.  Please do the same for all the other utilities in Exhibit JJP-3 where the "Non-Residential" figure include activity not related to Commercial and Institutional buildings, excluding such activity.  Please show all re-calculations and provide publicly available sources for all data used in the calculations.