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November 5, 2008

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

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. - Fort Nelson Service Area ("TG Fort Nelson")  
2009 Revenue Requirements Application (the "Application") and the Amended  
October 30, 2008 Application (the "Amended Application")  
Response to the British Columbia Utilities Commission ("BCUC" or the  
"Commission") Information Request ("IR") No. 1  
Erratum to the Response to IR No. 1, Question 7.1**

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On September 4, 2008, Terasen Gas filed the Application as referenced above. On October 30, 2008, TG Fort Nelson filed an Amendment to the Application and Responses to BCUC IR No. 1.

TG Fort Nelson respectfully submits the attached Erratum to the response to BCUC IR No. 1, Question 7.1.

If you have any questions related to this filing, please contact the undersigned.

Yours very truly,

**TERASEN GAS INC.**

***Original signed:***

Tom A. Loski

Attachments



|   |                                      |
|---|--------------------------------------|
| Terasen Gas Inc. Fort Nelson Service Area ("TGI Fort Nelson" or the "Company")<br>2009 Revenue Requirements Application                                       | Submission Date:<br>November 5, 2008 |
| Response to British Columbia Utilities Commission ("BCUC" or the "Commission")<br>Information Request ("IR") No. 1<br>Erratum to the Response to Question 7.1 | Page 1                               |

**7.0 Reference: Customer Additions**

Exhibit B-1, Section 3.3, pp. 12-13

|  |       |        |       |       |       |
|--|-------|--------|-------|-------|-------|
|  | 2006N | 2007N  | 2008D | 2008P | 2009F |
| Table 3.3b, p. 13: Year-End Customers            | 2,354 | 2,368  | 2,368 | 2,374 | 2,386 |
|  |       | 2007AN | 2008D | 2008P | 2009F |
| Schedule 3, p. 39: Average number of customers   |       | 2,340  | 2,341 | 2,372 | 2,355 |
| Schedule 4.1, p. 40: Average number of customers |       | 2,340  | 2,341 |       |       |
| Schedule 4.2, p. 41: Average number of customers |       |        |       | 2,372 | 2,355 |
| Table 7.3a, p. 29: Average number of customers   |       |        | 2,341 |       | 2,355 |
| Table 7.3b, p. 30: Average number of customers   |       |        |       | 2,372 | 2,355 |

7.1 Please explain how the 2008 Projected Customers of 2,341 on p. 20 compares to the numbers on p. 13 in Table 3.3b.

**Response:**

During the review of the response to this IR, the Company realized it made an error in the calculation of the 2008 projected average number of customers. This error does NOT have an affect upon:

- the average number of customers for 2009;
- the projected number of customers as at December 31, 2008 (2008 Year-End Customers); or
- the forecast number of customers as at December 31, 2009 (2009 Year-End Customers).

This correction has no impact on the 2009 revenue requirements and rate proposals as filed in the Amended Application dated October 30, 2008. The Company regrets the inconvenience caused by this error. Please refer to Attachment 7.1 which shows Amended Forecast Tables based on the revision made to the 2008 Projected average number of customers.

The average number of customers for a given year is estimated based on the expected timing of customers connecting to the system. Additionally, there are a number of customers that leave the system throughout the year, some of which return to the system later in the year. The Company estimates the timing of customer connections and disconnections by averaging the observed timing of actual customer connections over the past three years. Unfortunately, the Company had a logic error inherent in the timing of the disconnections when calculating the 2008 projection of average customers. The corrected 2008 projected average number of customers is 2,352.

## ATTACHMENT 7.1

2008 Projected average number of customers:

- As filed in Amended Application dated October 30, 2008 = 2,372
- As filed in revision to BCUC IR 7.1 dated November 5, 2008 = 2,352

*Table 3.5.2 (Revised Nov 5, 2008)\* – TG Fort Nelson Energy Demand Forecast (in TJ/annum)*

|                 | 2005<br>Normal | 2006<br>Normal | 2007<br>Normal | 2008<br>Decision | 2008<br>Projection | 2009<br>Forecast |
|-----------------|----------------|----------------|----------------|------------------|--------------------|------------------|
| <b>Rate 1</b>   | 291            | 271            | 272            | 285              | 273                | 271              |
| <b>Rate 2.1</b> | 193            | 191            | 190            | 205              | 196                | 195              |
| <b>Rate 2.2</b> | 102            | 95             | 90             | 99               | 91                 | 88               |
| <b>Rate 25</b>  | 365            | 349            | 264            | 265              | 198                | 14               |
| <b>Total</b>    | <b>951</b>     | <b>906</b>     | <b>816</b>     | <b>854</b>       | <b>758</b>         | <b>568</b>       |

*Table 3.6.1 (Revised Nov 5, 2008)\* – TG Fort Nelson Revenue Forecast*

|                 | 2005<br>Normal  | 2006<br>Normal  | 2007<br>Normal  | 2008<br>Decision | 2008<br>Projection | 2009<br>Forecast |
|-----------------|-----------------|-----------------|-----------------|------------------|--------------------|------------------|
| <b>Rate 1</b>   | \$ 2,445        | \$ 2,484        | \$ 2,298        | \$ 2,461         | \$ 2,628           | \$ 2,669         |
| <b>Rate 2.1</b> | \$ 1,701        | \$ 1,794        | \$ 1,634        | \$ 1,822         | \$ 1,915           | \$ 1,964         |
| <b>Rate 2.2</b> | \$ 813          | \$ 863          | \$ 747          | \$ 851           | \$ 857             | \$ 859           |
| <b>Rate 25</b>  | \$ 322          | \$ 309          | \$ 235          | \$ 295           | \$ 221             | \$ 31            |
| <b>Total</b>    | <b>\$ 5,281</b> | <b>\$ 5,450</b> | <b>\$ 4,914</b> | <b>\$ 5,429</b>  | <b>\$ 5,621</b>    | <b>\$ 5,523</b>  |

*Table 3.6.2 (Revised Nov 5, 2008)\* – TG Fort Nelson Margin Forecast*

|                 | 2005<br>Normal  | 2006<br>Normal  | 2007<br>Normal  | 2008<br>Decision | 2008<br>Projection | 2009<br>Forecast |
|-----------------|-----------------|-----------------|-----------------|------------------|--------------------|------------------|
| <b>Rate 1</b>   | \$ 415          | \$ 426          | \$ 428          | \$ 504           | \$ 499             | \$ 484           |
| <b>Rate 2.1</b> | \$ 359          | \$ 335          | \$ 330          | \$ 414           | \$ 398             | \$ 389           |
| <b>Rate 2.2</b> | \$ 111          | \$ 134          | \$ 130          | \$ 169           | \$ 151             | \$ 145           |
| <b>Rate 25</b>  | \$ 332          | \$ 304          | \$ 239          | \$ 287           | \$ 202             | \$ 29            |
| <b>Total</b>    | <b>\$ 1,217</b> | <b>\$ 1,199</b> | <b>\$ 1,127</b> | <b>\$ 1,375</b>  | <b>\$ 1,250</b>    | <b>\$ 1,047</b>  |

\* - Based on revision made to BCUC IR 7.1 as at November 5, 2008. As a result of this revision, 2008 Projected Energy Demand has decreased by 1.67 TJ. Total Revenue for 2008 Projected has decreased marginally by \$3,078 and Margin for 2008 Projected has decreased by just \$861.