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August 14, 2009

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

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc.
2010 and 2011 Revenue Requirements and Delivery Rates Application
Amendment Filing**

On June 15, 2009, Terasen Gas Inc. ("Terasen Gas") filed its 2010 and 2011 Revenue Requirements and Delivery Rates Application (the "Application"). In addition to the Application, Terasen Gas submitted a Supplemental Filing on July 8, 2009.

Subsequent to the July 8th Supplemental Filing, two minor corrections to the Application have come to the attention of Terasen Gas:

1. Schedule 76 in Part III, Section C, Tab 13 – Financial Schedules. Rows 48 through 52 were inadvertently hidden on this schedule; the revised Schedule 76 dated August 14, 2009 displays all applicable rows. The totals on rows 54 and 70 (row 66 of the Revised Schedule 76) do not change as a result of this correction.
2. Appendix F-4, Inflation. The copy of the TD Economics forecast included with the Appendix was the incorrect version. The March 17, 2009 TD Economics forecast should have been attached as opposed to the April 16, 2008 version. The calculation of the average CPI as noted in Appendix F-4 is not affected by this change; the calculation of the average CPI was based on the March 17, 2009 TD Economics forecast.

In summary, this Amendment Filing contains replacement and insertion pages for the Application Binders: Volume 1 - Application and Volume 2 - Appendices as noted below. The Company confirms that these amendments do not affect the substance of the Application.

Replacement and Insertion Pages:

Application Reference	Description	Insertion Instructions
Part III, Section C, Tab 13, Schedule 76	Display rows 48-52	Binder Volume 1, remove and replace Schedule 76 with the revised Schedule 76 dated August 14, 2009
Appendix F-4	Replace TD Economics CPI forecast	Binder Volume 2, Tab F-4 – remove the TD Economics CPI forecast dated April 16, 2008 with the attached TD Economics CPI forecast dated March 17, 2009

Registered Parties who requested hardcopies of the original Application will automatically receive hardcopies of this Amendment Filing. If you have any questions related to this filing, please do not hesitate to contact the undersigned.

Yours very truly,

TERASEN GAS INC.

Original signed:

Tom A. Loski

Attachments

cc (email only): Registered Parties

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION
FOR THE YEAR ENDING DECEMBER 31, 2009
(\$000s)

Line No.	Particulars (1)	Balance	Gross	Less-	Net	Amortization	Recoveries		Balance	Mid-Year
		12/31/2008 (2)	Additions (3)	Taxes (4)	Additions (5)	Expense (6)	Rider (7)	Tax on Rider (8)	12/31/2009 (9)	Average 2009 (10)
1	Margin Related									
2	Commodity Cost Reconciliation Account (CCRA)	(\$23,164.7)	\$602.9	(\$180.9)	\$422.0	\$0.0	\$0.0	\$0.0	(\$22,742.7)	(\$22,953.7)
3	CCRA Interest	(596.2)	(428.2)	128.5	(299.7)	-	-	-	(895.9)	(746.1)
4	Midstream Cost Reconciliation Account (MCRA)	(23,588.7)	85,731.4	(25,719.4)	60,012.0	-	-	-	36,423.3	6,417.3
5	MCRA Interest	(1,812.2)	47.2	(14.2)	33.0	-	-	-	(1,779.2)	(1,795.7)
6	Revenue Stabilization Adjustment Mechanism (RSAM)	(7,917.2)	(7,902.9)	2,370.9	(5,532.0)	-	405.1	(121.5)	(13,165.6)	(10,541.4)
7	RSAM Interest	35.3	(133.2)	40.0	(93.2)	-	27.8	(8.3)	(38.4)	(1.6)
8	Revelstoke Propane Cost Deferral Account	(477.8)	627.1	(188.1)	439.0	-	-	-	(38.8)	(258.3)
9	SCP Mitigation Revenues Variance Account	(4,539.0)	(981.7)	324.5	(657.2)	1,078.1	-	-	(4,118.1)	(4,328.6)
10	SCP West to East Transmission	(1,658.0)	(376.1)	124.7	(251.4)	371.2	-	-	(1,538.2)	(1,598.1)
11										
12	Energy Policy Related									
13	Energy Efficiency & Conservation (EEC)	1,205.0	8,002.0	(2,400.6)	5,601.4	(436.2)	-	-	6,370.2	3,787.6
14	NGV Conversion Grants	124.0	80.0	(24.0)	56.0	(43.1)	-	-	136.9	130.5
15										
16	Non-Controllable Items									
17	Property Tax Deferral	(732.0)	(700.0)	210.0	(490.0)	478.2	-	-	(743.8)	(737.9)
18	Insurance Variance	(259.0)	(479.5)	143.9	(335.6)	(91.4)	-	-	(686.0)	(472.5)
19	Pension & OPEB Variance	207.0	(581.4)	-	(581.4)	(312.0)	-	-	(686.4)	(239.7)
20	BCUC Levies Variance	(295.0)	(383.7)	115.1	(268.6)	301.6	-	-	(262.0)	(278.5)
21	Interest Variance	(1,629.0)	(790.1)	237.0	(553.1)	(50.1)	-	-	(2,232.2)	(1,930.6)
22	Interest Variance - Funding benefits via Customer Deposits	161.0	76.9	(23.1)	53.8	(0.6)	-	-	214.2	187.6
24	Olympics Security Costs Deferral	-	746.9	(224.1)	522.8	-	-	-	522.8	261.4
25	IFRS Conversion Costs	98.0	430.7	(129.2)	301.5	-	-	-	399.5	248.8
26										
27	Cost of Current Applications									
28	2009 ROE & Cost of Capital Application	\$0.0	\$630.0	(\$189.0)	\$441.0	\$0.0	\$0.0	\$0.0	\$441.0	\$220.5
29	2010-2011 Revenue Requirement Application	55.0	1,057.5	(317.3)	740.2	-	-	-	795.2	425.1
30	CCE CPCN Application	-	270.0	(81.0)	189.0	-	-	-	189.0	94.5
31										
32	Other									
33	IFRS Transitional Adjustments	-	-	-	-	-	-	-	-	-
34	OPEB Funding	(28,644.0)	(5,582.6)	1,674.8	(3,907.8)	-	-	-	(32,551.8)	(30,597.9)
35	Pension & OPEB Funding	-	-	-	-	-	-	-	-	-
36										
37	Residual Deferred Charges									
38	SCP Tax Reassessment	7,292.8	165.0	(49.5)	115.5	-	-	-	7,408.3	7,350.6
39	Deferred Service Line Installation Fee	-	1,442.9	-	1,442.9	-	-	-	1,442.9	1,442.9
40	Earnings Sharing Mechanism	(9,879.1)	(18,748.0)	5,624.4	(13,123.6)	-	14,113.0	(4,233.9)	(13,123.6)	(11,501.4)
41	CCT Assessment	(16.0)	-	-	-	13.5	-	-	(2.5)	(9.3)
42	Carbon Tax Implementation	103.0	-	-	-	(198.0)	-	-	(95.0)	4.0
43	TGS Amalgamation	132.0	-	-	-	-	-	-	132.0	132.0
44	TGS O&M Variance	233.0	170.0	(51.0)	119.0	-	-	-	352.0	292.5
45	Carbon Tax Cost of Service	(384.0)	326.0	(97.8)	228.2	111.8	-	-	(44.0)	(214.0)
46	OSC Certification Compliance	90.0	110.7	(33.2)	77.5	(76.4)	-	-	91.1	90.6
47	Bad Debt Allowance for Rates 14 & 14A	(114.0)	(26.6)	0.4	(26.2)	-	-	-	(140.2)	(127.1)
48	2005 ROE Hearing	150.0	-	-	-	(150.0)	-	-	-	75.0
49	2006 LCT Elimination	14.0	-	-	-	(14.0)	-	-	-	7.0
50	NGV Compression Equipment Recovery	249.0	-	-	-	(249.0)	-	-	-	124.5
51	SCP PG&E Contract Cancellation	661.8	-	-	-	(661.8)	-	-	-	330.9
52										
53										
54	Total Deferred Charges for Rate Base	(\$94,895.0)	\$63,403.2	(\$18,728.2)	\$44,675.0	\$71.8	\$14,545.9	(\$4,363.7)	(\$39,966.0)	(\$66,709.1)
55										
56	Reconciliation with Mid Year Deferred Charges for ESM calculation:									
57										
58	Less:									
59	Projected Mid Year MCRA balance (+ interest)	4,621.6								
60	Projected Mid Year CCRA balance (+ interest)	(23,699.8)								
61	Projected Mid Year Revelstoke Propane balance	(258.3)								
62	Projected Mid Year ESM balance	(11,501.4)								
63	Projected Mid Year RSAM balance (+ interest)	(10,543.0)	(41,380.9)							
64										
65										
66										
67										
68										

Net Mid-Year Reconciling items for ESM purposes 41,164.3
Mid Year Deferred Charges balance for ESM purposes (\$25,544.8)

(X-Ref - Tab C-13, Schedule 74)

REAL GROSS DOMESTIC PRODUCT (GDP)						
Annual average per cent change						
	82/91	2006	2007	2008E	2009F	2010F
CANADA	-2.5	3.1	2.7	0.5	-2.4	1.3
N. & L.	0.7	3.0	9.1	0.6	-2.5	1.2
P.E.I.	0.3	2.4	2.4	0.2	-2.2	1.0
N.S.	1.4	0.9	1.7	1.0	-2.0	1.1
N.B.	0.9	2.4	1.7	0.8	-1.8	0.9
Québec	-3.2	1.7	2.6	0.7	-2.3	0.9
Ontario	-3.3	2.6	2.3	-0.2	-2.7	1.2
Manitoba	-3.0	4.0	3.3	1.5	-1.2	1.3
Sask.	-0.4	-0.3	2.5	3.1	0.4	1.8
Alberta	-1.3	6.1	3.1	1.3	-2.6	1.3
B.C.	-3.0	4.4	3.0	0.8	-1.7	2.4

E: Estimate. F: Forecast by TD Economics as at March 2009
Source: Statistics Canada / Haver Analytics

NOMINAL GROSS DOMESTIC PRODUCT (GDP)						
Annual average per cent change						
	82/91	2006	2007	2008E	2009F	2010F
CANADA	3.1	5.7	5.9	4.4	-4.5	1.7
N. & L.	6.4	18.5	13.6	7.5	-6.2	1.8
P.E.I.	6.0	4.1	5.3	3.8	-4.0	1.0
N.S.	9.6	1.5	4.0	2.5	-1.5	1.2
N.B.	6.3	4.4	4.3	3.2	-2.4	1.2
Québec	3.5	3.9	5.4	2.6	-2.6	1.1
Ontario	3.0	4.3	4.5	1.9	-3.3	1.4
Manitoba	1.2	8.2	8.1	9.5	-5.6	2.0
Sask.	1.2	5.5	11.0	14.0	-5.7	2.6
Alberta	2.9	8.7	8.1	9.3	-10.0	2.3
B.C.	1.7	7.9	5.4	4.4	-3.7	2.6

E: Estimate. F: Forecast by TD Economics as at March 2009
Source: Statistics Canada / Haver Analytics

EMPLOYMENT						
Annual average per cent change						
	82/91	2006	2007	2008	2009F	2010F
CANADA	-2.4	1.9	2.3	1.5	-2.1	-0.6
N. & L.	-1.9	0.7	0.7	1.4	-2.0	-0.5
P.E.I.	-2.0	0.5	1.2	1.2	-2.3	-0.3
N.S.	-1.7	-0.3	1.3	1.2	-2.1	-0.7
N.B.	-2.6	1.4	2.1	0.9	-2.3	-0.4
Québec	-3.6	1.3	2.3	0.8	-2.0	-0.9
Ontario	-2.8	1.5	1.5	1.4	-2.6	-0.6
Manitoba	-1.6	1.2	1.6	1.7	-1.3	-0.8
Sask.	-0.2	1.7	2.1	2.2	-0.5	-0.6
Alberta	-0.5	4.8	4.7	2.7	-2.0	-0.5
B.C.	-1.9	3.1	3.2	2.1	-1.5	-0.4

F: Forecast by TD Economics as at March 2009
Source: Statistics Canada / Haver Analytics

UNEMPLOYMENT RATE						
Annual average, per cent						
	82/91	2006	2007	2008	2009F	2010F
CANADA	10.7	6.3	6.0	6.1	9.0	9.9
N. & L.	17.1	14.8	13.6	13.3	14.6	15.5
P.E.I.	14.6	11.1	10.3	10.7	12.1	13.0
N.S.	12.5	7.9	8.1	7.7	10.3	11.4
N.B.	13.4	8.7	7.6	8.6	11.6	12.3
Québec	13.1	8.0	7.2	7.3	9.4	10.3
Ontario	9.7	6.3	6.4	6.5	10.0	10.8
Manitoba	8.6	4.3	4.4	4.1	6.4	7.7
Sask.	6.8	4.6	4.2	4.1	6.3	7.6
Alberta	8.0	3.4	3.5	3.6	6.9	7.6
B.C.	11.1	4.8	4.2	4.6	7.0	7.8

F: Forecast by TD Economics as at March 2009
Source: Statistics Canada / Haver Analytics

TOTAL CONSUMER PRICE INDEX (CPI)					
Annual average per cent change					
	92-03	2007	2008	2009F	2010F
CANADA	1.9	2.1	2.4	-0.8	0.8
N. & L.	1.8	1.4	2.9	-0.2	1.2
P.E.I.	2.0	1.8	3.4	-0.5	1.1
N.S.	2.0	1.9	3.0	-0.5	0.7
N.B.	1.8	1.9	1.7	-1.1	1.3
Québec	1.7	1.6	2.1	-0.8	0.4
Ontario	1.9	1.8	2.3	-0.8	0.5
Manitoba	2.1	2.1	2.2	-0.6	0.9
Sask.	2.2	2.9	3.2	0.1	1.0
Alberta	2.5	4.9	3.2	-1.1	1.1
B.C.	1.8	1.7	2.1	-0.9	2.0

F: Forecast by TD Economics as at March 2009.
Source: Statistics Canada / Haver Analytics

RETAIL TRADE					
Annual average per cent change					
	1992	2007	2008	2009F	2010F
CANADA	2.5	5.8	3.2	-3.0	3.5
N. & L.	-0.9	9.0	7.7	-2.0	2.8
P.E.I.	6.2	7.7	4.8	-2.7	3.1
N.S.	5.4	4.2	4.5	-2.5	3.7
N.B.	4.0	5.7	4.9	-1.8	3.9
Quebec	0.3	4.6	4.9	-2.1	3.0
Ontario	2.7	3.9	3.3	-2.6	3.5
Manitoba	2.0	8.8	7.1	-2.1	4.0
Sask.	1.2	13.0	10.4	-2.5	4.2
Alberta	3.1	9.3	-0.2	-4.1	3.3
B.C.	4.7	6.7	0.2	-5.2	4.5

F: Forecast by TD Economics as at March 2009
Source: Statistics Canada / Haver Analytics