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September 3, 2009

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
2009 Third Quarter Gas Cost Report**

The attached materials provide the TG Fort Nelson 2009 Third Quarter Gas Cost Report as required under British Columbia Utilities Commission (the “Commission”) guidelines.

Based on the forward prices as at August 24, 2009, the September 30, 2009 GCRA deferral balance is projected to be approximately \$201,700 surplus after tax (Tab 1, Page 2, Column 2, Line 34). Further, based on the August 24, 2009 forward prices, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending September 30, 2010, and accounting for the projected September 30, 2009 deferral balance, the GCRA ratio is calculated to be 112.7% (Tab 1, Page 1, Column 3, Line 10). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is necessary at this time.

The result indicates a gas cost flow through decrease, effective October 1, 2009, of \$0.699/GJ would be required to eliminate the forecast over-recovery of the 12-month forward gas purchase costs and to amortize the projected September 30, 2009 surplus deferral balance. A summary, including a component breakdown of the \$0.699/GJ decrease Terasen Gas Inc. (“Terasen Gas”) is requesting for TG Fort Nelson effective October 1, 2009, is provided under the section titled “BALANCING REQUIREMENT” at Tab 1, Page 1. The schedules within Tab 2 provide a summary of the forecast monthly GCRA activity and deferral balances with the proposed gas cost flow through, effective October 1, 2009.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules show the proposed October 1, 2009 decrease of the gas cost recovery charge component of rates. The TG Fort Nelson rate change, effective October 1, 2009, would decrease the annual bill by approximately \$98 or 8.0%, for a Fort Nelson residential customer with an average annual consumption of 140 GJ.

In summary, Terasen Gas hereby requests Commission approval to flow through in customers’ rates, effective October 1, 2009, a TG Fort Nelson gas cost recovery charge rate decrease of \$0.699/GJ. The gas cost recovery charge component of rates would decrease from \$6.200/GJ to \$5.501/GJ, effective October 1, 2009.

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.

In this regard, Terasen Gas further believes that the Core Market could be disadvantaged and may well shoulder incremental costs if utility gas supply procurement strategies as well as contracts are treated in a different manner than those of other gas purchasers, and believes that since it continues to operate within a competitive environment, there is no necessity for public disclosure and risk prejudice or influence in the negotiations or renegotiation of subsequent contracts.

Terasen Gas will continue to monitor the forward prices and will report these results in the TG Fort Nelson 2009 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, 2009 TO SEPTEMBER 30, 2010
 WITH **EXISTING APRIL 1, 2009** GAS COST RECOVERY RATES
(AUGUST 24, 2009 FORWARD PRICES)

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, 2009	\$ (288.2)			
3	(Tab 1, Page 2, Line 34, Col 2 after tax amount grossed up using 30.0% tax rate)				
4					
5	Forecast Incurred Gas Costs - October 2009 to September 2010	\$ 3,265.0			
6	(Tab 1, Page 2, Line 20, Col 14)				
7	Forecast Recovered Gas Costs - October 2009 to September 2010	\$ 3,354.0			
8	(Tab 1, Page 2, Line 10, Col 14)				
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	= \$ 3,354.0	= <u>112.7%</u>		
11		= \$ 2,976.8			
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 Sales Recovery Volumes - October 2009 to September 2010			539.8	
20	(Tab 1, Page 2, Line 2, Col. 14)				
21					
22	Projected GCRA Balance at September 30, 2009 (Line 2)	\$ (288.2)			\$ (0.534)
23	Forecast GCRA Activities - October 2009 to September 2010 (Line 5 - Line 7)	(89.0)			\$ (0.165)
24	(Over) / Under Recovery at Proposed Rates	<u>\$ (377.2)</u>			
25					
26	Proposed Rates (Decrease) / Increase				<u>\$ (0.699)</u>

**WITH EXISTING APR 1, 2009 GAS COST RECOVERY RATES
 (AUGUST 24, 2009 FORWARD PRICES)**

Line No.	Particulars													12 months
		Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct09-Sept10 Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		39.6	64.9	81.9	96.9	70.0	66.7	39.3	21.7	13.9	9.4	12.4	23.1	539.8
3 T-Service UAF - TJ		0.1	0.1	0.2	0.2	0.2	0.1	0.1	-	-	-	-	-	1.0
4														
5 Recovery Unit Cost on Sales - \$/GJ	\$	6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	
6 Recovery Unit Cost on T-Service UAF - \$/GJ	\$	8.078	\$ 8.078	\$ 8.078	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	
7														
8 Recovery on Sales - \$000	\$	245.5	\$ 402.4	\$ 507.8	\$ 600.8	\$ 434.0	\$ 413.5	\$ 243.7	\$ 134.5	\$ 86.2	\$ 58.3	\$ 76.9	\$ 143.2	\$ 3,346.8
9 Recovery on T-Service UAF - \$000		0.8	0.8	1.6	1.3	1.3	0.7	0.7	-	-	-	-	-	7.2
10 Total Forecast Recovered Gas Costs - \$000	\$	<u>246.3</u>	<u>\$ 403.2</u>	<u>\$ 509.4</u>	<u>\$ 602.1</u>	<u>\$ 435.3</u>	<u>\$ 414.2</u>	<u>\$ 244.4</u>	<u>\$ 134.5</u>	<u>\$ 86.2</u>	<u>\$ 58.3</u>	<u>\$ 76.9</u>	<u>\$ 143.2</u>	<u>\$ 3,354.0</u>
11														
12														
13														
14 INCURRED GAS COSTS														
15 Total Purchases Incl. Company Use and UAF - TJ		40.1	65.8	83.1	98.5	71.1	67.8	39.9	22.0	14.1	9.5	12.6	23.4	547.9
16														
17														
18 Incurred Cost - \$/GJ	\$	4.5756	\$ 5.7308	\$ 5.9831	\$ 6.6149	\$ 6.0915	\$ 6.0923	\$ 5.7323	\$ 5.7826	\$ 5.8561	\$ 5.9462	\$ 5.9614	\$ 5.9533	
19														
20 Forecast Incurred Gas Costs - \$000	\$	<u>183.5</u>	<u>\$ 377.1</u>	<u>\$ 497.2</u>	<u>\$ 651.6</u>	<u>\$ 433.1</u>	<u>\$ 413.1</u>	<u>\$ 228.7</u>	<u>\$ 127.2</u>	<u>\$ 82.6</u>	<u>\$ 56.5</u>	<u>\$ 75.1</u>	<u>\$ 139.3</u>	<u>\$ 3,265.0</u>
21														
22														
23														
24														
25														
26 GCRA BALANCE														
27 Opening Balances (Pre-Tax) ^(1*)	\$	(288.2)	\$ (351.0)	\$ (377.1)	\$ (381.1)	\$ (331.6)	\$ (333.8)	\$ (334.9)	\$ (350.6)	\$ (357.9)	\$ (361.5)	\$ (363.3)	\$ (365.1)	
28 Forecast Activity		(62.8)	(26.1)	(12.2)	49.5	(2.2)	(1.1)	(15.7)	(7.3)	(3.6)	(1.8)	(1.8)	(3.9)	\$ (89.0)
29 Closing Balances (Pre-tax) - \$000	\$	<u>(351.0)</u>	<u>\$ (377.1)</u>	<u>\$ (389.3)</u>	<u>\$ (331.6)</u>	<u>\$ (333.8)</u>	<u>\$ (334.9)</u>	<u>\$ (350.6)</u>	<u>\$ (357.9)</u>	<u>\$ (361.5)</u>	<u>\$ (363.3)</u>	<u>\$ (365.1)</u>	<u>\$ (369.0)</u>	
30														
31														
32 Tax Rate		30.00%	30.00%	30.00%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	
33														
34 Opening Balance (After-Tax)	\$	(201.7)												
35 Closing Balances (After Tax) - \$000	\$	<u>(245.7)</u>	<u>\$ (264.0)</u>	<u>\$ (272.5)</u>	<u>\$ (237.1)</u>	<u>\$ (238.7)</u>	<u>\$ (239.5)</u>	<u>\$ (250.7)</u>	<u>\$ (255.9)</u>	<u>\$ (258.5)</u>	<u>\$ (259.8)</u>	<u>\$ (261.1)</u>	<u>\$ (263.9)</u>	

Slight differences in totals due to rounding.

Note (1) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.*

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

**WITH EXISTING APR 1, 2009 GAS COST RECOVERY RATES
 (AUGUST 24, 2009 FORWARD PRICES)**

Line No.	Particulars													12 months
		Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct10-Sept11 Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		39.5	64.8	81.7	96.5	69.7	66.4	39.1	21.6	13.8	9.3	12.3	23.0	537.7
3 T-Service UAF - TJ		0.1	0.1	0.2	0.2	0.2	0.1	0.1	-	-	-	-	-	1.0
4														
5 Recovery Unit Cost on Sales - \$/GJ		\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	\$ 6.200	
6 Recovery Unit Cost on T-Service UAF - \$/GJ		\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	
7														
8 Recovery on Sales - \$000		\$ 244.9	\$ 401.8	\$ 506.5	\$ 598.3	\$ 432.1	\$ 411.7	\$ 242.4	\$ 133.9	\$ 85.6	\$ 57.7	\$ 76.3	\$ 142.6	\$ 3,333.8
9 Recovery on T-Service UAF - \$000		0.7	0.7	1.3	1.3	1.3	0.7	0.7	-	-	-	-	-	6.7
10 Total Forecast Recovered Gas Costs - \$000		<u>\$ 245.6</u>	<u>\$ 402.5</u>	<u>\$ 507.8</u>	<u>\$ 599.6</u>	<u>\$ 433.4</u>	<u>\$ 412.4</u>	<u>\$ 243.1</u>	<u>\$ 133.9</u>	<u>\$ 85.6</u>	<u>\$ 57.7</u>	<u>\$ 76.3</u>	<u>\$ 142.6</u>	<u>\$ 3,340.5</u>
11														
12														
13														
14 INCURRED GAS COSTS														
15 Total Purchases Incl. Company Use and UAF - TJ		40.1	65.9	83.0	98.1	70.8	67.5	39.7	21.9	14.0	9.4	12.5	23.3	546.2
16														
17														
18 Incurred Cost - \$/GJ		\$ 5.9888	\$ 6.4490	\$ 6.6249	\$ 6.7283	\$ 6.7316	\$ 6.6514	\$ 5.6850	\$ 5.6831	\$ 5.7753	\$ 5.8835	\$ 5.9091	\$ 5.8929	
19														
20 Forecast Incurred Gas Costs - \$000		<u>\$ 240.2</u>	<u>\$ 425.0</u>	<u>\$ 549.9</u>	<u>\$ 660.0</u>	<u>\$ 476.6</u>	<u>\$ 449.0</u>	<u>\$ 225.7</u>	<u>\$ 124.5</u>	<u>\$ 80.9</u>	<u>\$ 55.3</u>	<u>\$ 73.9</u>	<u>\$ 137.3</u>	<u>\$ 3,498.3</u>
21														
22														
23														
24														
25														
26 GCRA BALANCE														
27 Opening Balances (Pre-Tax) ^(1*)		\$ (369.0)	\$ (374.4)	\$ (351.9)	\$ (301.5)	\$ (241.1)	\$ (197.9)	\$ (161.3)	\$ (178.7)	\$ (188.1)	\$ (192.8)	\$ (195.2)	\$ (197.6)	
28 Forecast Activity		(5.4)	22.5	42.1	60.4	43.2	36.6	(17.4)	(9.4)	(4.7)	(2.4)	(2.4)	(5.3)	157.8
29 Closing Balances (Pre-tax) - \$000		<u>\$ (374.4)</u>	<u>\$ (351.9)</u>	<u>\$ (309.8)</u>	<u>\$ (241.1)</u>	<u>\$ (197.9)</u>	<u>\$ (161.3)</u>	<u>\$ (178.7)</u>	<u>\$ (188.1)</u>	<u>\$ (192.8)</u>	<u>\$ (195.2)</u>	<u>\$ (197.6)</u>	<u>\$ (202.9)</u>	
30														
31														
32 Tax Rate		28.50%	28.50%	28.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
33														
34 Opening Balance (After-Tax)		\$ (263.9)												
35 Closing Balances (After Tax) - \$000		<u>\$ (267.8)</u>	<u>\$ (251.7)</u>	<u>\$ (221.6)</u>	<u>\$ (177.2)</u>	<u>\$ (145.4)</u>	<u>\$ (118.5)</u>	<u>\$ (131.3)</u>	<u>\$ (138.2)</u>	<u>\$ (141.7)</u>	<u>\$ (143.5)</u>	<u>\$ (145.3)</u>	<u>\$ (149.2)</u>	

Slight differences in totals due to rounding.

Note (1*) Pre-tax opening balances are restated based on current income tax

TERASEN GAS INC. - FORT NELSON SERVICE AREA
STATION NO. 2 INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2011

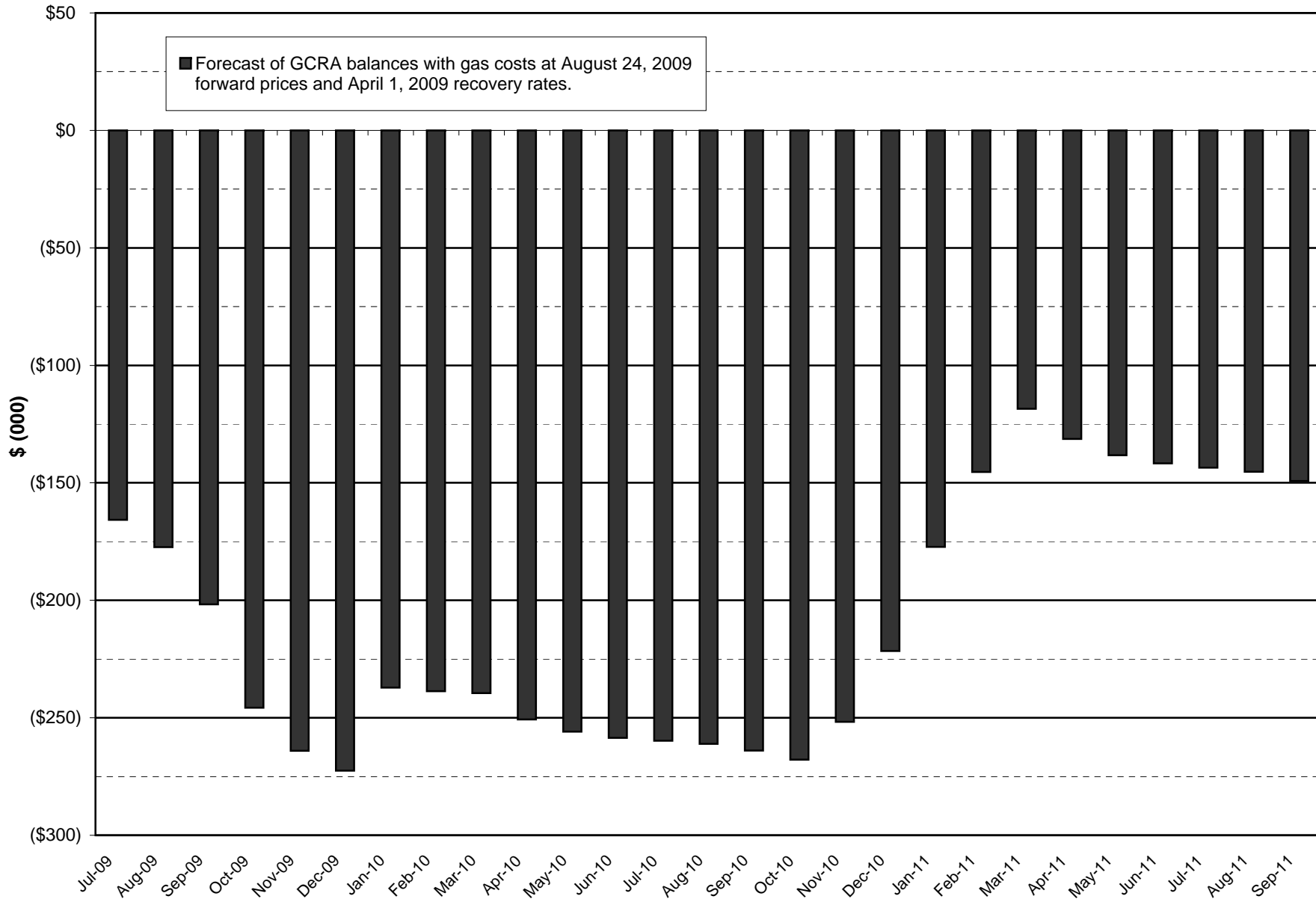
Line No	Particulars	Aug 24, 2009 Forward Prices 2009 Q3 Gas Cost Report	Jun 1, 2009 Forward Prices 2009 Q2 Gas Cost Report	Aug 24, 2009 Forward Prices Less Jun 1, 2009 Forward Prices (4) = (2) - (3)
(1)		(2)	(3)	(4) = (2) - (3)
1	Station No. 2 Index Prices - \$CDN/GJ			
2	2009 January	\$ 6.52	\$ 6.52	\$ -
3	February	\$ 4.79	\$ 4.79	\$ -
4	March	\$ 4.08	\$ 4.08	\$ -
5	April	\$ 3.71	\$ 3.71	\$ -
6	May	\$ 2.92	\$ 2.92	\$ -
7	June	\$ 3.30	\$ 3.30	\$ -
8	July	\$ 3.04	\$ 3.38	\$ (0.34)
9	August	\$ 2.87	\$ 3.51	\$ (0.63)
10	September	\$ 2.63	\$ 3.61	\$ (0.98)
11	October	\$ 2.51	\$ 3.77	\$ (1.26)
12	November	\$ 3.72	\$ 4.71	\$ (0.99)
13	December	\$ 4.56	\$ 5.41	\$ (0.85)
14	<i>Simple Average (Jan, 2009 - Dec, 2009)</i>	<u>\$ 3.72</u>	<u>\$ 4.14</u>	-10.1% <u>\$ (0.42)</u>
15	<i>Simple Average (Apr, 2009 - Mar, 2010)</i>	<u>\$ 3.66</u>	<u>\$ 4.29</u>	-14.7% <u>\$ (0.63)</u>
16	<i>Simple Average (Jul, 2009 - Jun, 2010)</i>	<u>\$ 3.98</u>	<u>\$ 4.78</u>	-16.7% <u>\$ (0.80)</u>
17	<i>Simple Average (Oct, 2009 - Sep, 2010)</i>	<u>\$ 4.50</u>	<u>\$ 5.29</u>	-14.9% <u>\$ (0.79)</u>
18	2010 January	\$ 4.85	\$ 5.72	\$ (0.87)
19	February	\$ 4.91	\$ 5.76	\$ (0.85)
20	March	\$ 4.91	\$ 5.69	\$ (0.78)
21	April	\$ 4.53	\$ 5.21	\$ (0.67)
22	May	\$ 4.60	\$ 5.25	\$ (0.65)
23	June	\$ 4.70	\$ 5.35	\$ (0.65)
24	July	\$ 4.82	\$ 5.47	\$ (0.65)
25	August	\$ 4.92	\$ 5.57	\$ (0.65)
26	September	\$ 4.99	\$ 5.62	\$ (0.63)
27	October	\$ 5.11	\$ 5.71	\$ (0.60)
28	November	\$ 5.82	\$ 6.34	\$ (0.51)
29	December	\$ 6.21	\$ 6.74	\$ (0.53)
30	<i>Simple Average (Jan, 2010 - Dec, 2010)</i>	<u>\$ 5.03</u>	<u>\$ 5.70</u>	-11.8% <u>\$ (0.67)</u>
31	<i>Simple Average (Apr, 2010 - Mar, 2011)</i>	<u>\$ 5.40</u>	<u>\$ 6.00</u>	-10.0% <u>\$ (0.60)</u>
32	<i>Simple Average (Jul, 2010 - Jun, 2011)</i>	<u>\$ 5.63</u>	<u>\$ 6.20</u>	-9.2% <u>\$ (0.57)</u>
33	<i>Simple Average (Oct, 2010 - Sep, 2011)</i>	<u>\$ 5.83</u>		<u>\$ 5.83</u>
34	2011 January	\$ 6.44	\$ 6.96	\$ (0.52)
35	February	\$ 6.44	\$ 6.96	\$ (0.52)
36	March	\$ 6.26	\$ 6.77	\$ (0.51)
37	April	\$ 5.51	\$ 6.05	\$ (0.55)
38	May	\$ 5.47	\$ 6.04	\$ (0.56)
39	June	\$ 5.56	\$ 6.12	\$ (0.57)
40	July	\$ 5.65		
41	August	\$ 5.71		
42	September	\$ 5.74		
43	October	\$ 5.83		
44	November	\$ 6.32		
45	December	\$ 6.62		
46	<i>Simple Average (Jan, 2011 - Dec, 2011)</i>	<u>\$ 5.96</u>		

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES (\$000)
 FOR THE PERIOD ENDING SEPTEMBER 30, 2011
 WITH EXISTING GAS COST RECOVERY RATES

Line No.	Particulars	2009 Q3 Gas Cost Report Apr 1, 2009 Gas Cost Recovery Rates (Aug 24, 2009 Forward Prices)		2009 Q2 Gas Cost Report Apr 1, 2009 Gas Cost Recovery Rates (June 1, 2009 Forward Prices)	
		(1)	(2)	(3)	
1	2009	January	\$ (94.0)		\$ (94.0)
2		February	\$ (60.7)		\$ (60.7)
3		March	\$ (215.6)		\$ (215.6)
4		April	\$ (26.2)		Recorded \$ (26.2)
5		May	\$ (133.6)	(a)	Projected \$ (46.5)
6		June	\$ (143.2)		\$ (58.5)
7		July	Recorded \$ (165.7)		\$ (65.8)
8		August	Projected \$ (177.3)		\$ (74.9)
9		September	\$ (201.7)		\$ (89.2)
10		October	\$ (245.7)		\$ (118.9)
11		November	\$ (264.0)		\$ (122.7)
12		December	\$ (272.5)		\$ (114.0)
13	2010	January	\$ (237.1)		\$ (70.8)
14		February	\$ (238.7)		\$ (56.3)
15		March	\$ (239.5)		\$ (43.6)
16		April	\$ (250.7)		\$ (45.8)
17		May	\$ (255.9)		\$ (46.2)
18		June	\$ (258.5)		\$ (45.7)
19		July	\$ (259.8)		\$ (44.8)
20		August	\$ (261.1)		\$ (43.7)
21		September	\$ (263.9)		\$ (41.8)
22		October	\$ (267.8)		\$ (36.9)
23		November	\$ (251.7)		\$ (4.4)
24		December	\$ (221.6)		\$ 48.8
25	2011	January	\$ (177.2)		\$ 123.7
26		February	\$ (145.4)		\$ 179.9
27		March	\$ (118.5)		\$ 228.1
28		April	\$ (131.3)		\$ 228.0
29		May	\$ (138.2)		\$ 228.2
30		June	\$ (141.7)		\$ 229.4
31		July	\$ (143.5)		
32		August	\$ (145.3)		
33		September	\$ (149.2)		

35 **Notes:** Comparison of Recorded with Projected GCRA balances
 36 (a) May 2009 GCRA surplus balance was greater than forecast primarily due to lower recorded unit cost of gas, and higher recorded recovery volume with 14%
 37 colder than normal weather in Fort Nelson.

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES BY MONTH
 FOR THE PERIOD ENDING SEPTEMBER 2011



**WITH PROPOSED OCT 1, 2009 GAS COST RECOVERY RATES
 (AUGUST 24, 2009 FORWARD PRICES)**

Line No.	Particulars													12 months
		Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	39.6	64.9	81.9	96.9	70.0	66.7	39.3	21.7	13.9	9.4	12.4	23.1	539.8
3	T-Service UAF - TJ	0.1	0.1	0.2	0.2	0.2	0.1	0.1	-	-	-	-	-	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	
6	Recovery Unit Cost on T-Service UAF - \$/GJ	\$ 8.078	\$ 8.078	\$ 8.078	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	\$ 6.531	
7														
8	Recovery on Sales - \$000	\$ 217.8	\$ 357.0	\$ 450.5	\$ 533.0	\$ 385.1	\$ 366.9	\$ 216.2	\$ 119.4	\$ 76.5	\$ 51.7	\$ 68.2	\$ 127.1	\$ 2,969.4
9	Recovery on T-Service UAF - \$000	0.8	0.8	1.6	1.3	1.3	0.7	0.7	-	-	-	-	-	7.2
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 218.6</u>	<u>\$ 357.8</u>	<u>\$ 452.1</u>	<u>\$ 534.3</u>	<u>\$ 386.4</u>	<u>\$ 367.6</u>	<u>\$ 216.9</u>	<u>\$ 119.4</u>	<u>\$ 76.5</u>	<u>\$ 51.7</u>	<u>\$ 68.2</u>	<u>\$ 127.1</u>	<u>\$ 2,976.6</u>
11														
12														
13														
14	INCURRED GAS COSTS													
15	Total Purchases Incl. Company Use and UAF - TJ	40.1	65.8	83.1	98.5	71.1	67.8	39.9	22.0	14.1	9.5	12.6	23.4	547.9
16														
17														
18	Incurred Cost - \$/GJ	\$ 4.5756	\$ 5.7308	\$ 5.9831	\$ 6.6149	\$ 6.0915	\$ 6.0923	\$ 5.7323	\$ 5.7826	\$ 5.8561	\$ 5.9462	\$ 5.9614	\$ 5.9533	
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 183.5</u>	<u>\$ 377.1</u>	<u>\$ 497.2</u>	<u>\$ 651.6</u>	<u>\$ 433.1</u>	<u>\$ 413.1</u>	<u>\$ 228.7</u>	<u>\$ 127.2</u>	<u>\$ 82.6</u>	<u>\$ 56.5</u>	<u>\$ 75.1</u>	<u>\$ 139.3</u>	<u>\$ 3,265.0</u>
21														
22														
23														
24														
25														
26	GCRA BALANCE													
27	Opening Balances (Pre-Tax) ^(1*)	\$ (288.2)	\$ (323.3)	\$ (304.0)	\$ (253.4)	\$ (136.1)	\$ (89.4)	\$ (43.9)	\$ (32.1)	\$ (24.3)	\$ (18.2)	\$ (13.4)	\$ (6.5)	
28	Forecast Activity	(35.1)	19.3	45.1	117.3	46.7	45.5	11.8	7.8	6.1	4.8	6.9	12.2	\$ 288.4
29	Closing Balances (Pre-tax) - \$000	<u>\$ (323.3)</u>	<u>\$ (304.0)</u>	<u>\$ (258.9)</u>	<u>\$ (136.1)</u>	<u>\$ (89.4)</u>	<u>\$ (43.9)</u>	<u>\$ (32.1)</u>	<u>\$ (24.3)</u>	<u>\$ (18.2)</u>	<u>\$ (13.4)</u>	<u>\$ (6.5)</u>	<u>\$ 5.7</u>	
30														
31														
32	Tax Rate	30.00%	30.00%	30.00%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	
33														
34	Opening Balance (After-Tax)	\$ (201.7)												
35	Closing Balances (After Tax) - \$000	<u>\$ (226.3)</u>	<u>\$ (212.8)</u>	<u>\$ (181.2)</u>	<u>\$ (97.3)</u>	<u>\$ (63.9)</u>	<u>\$ (31.4)</u>	<u>\$ (23.0)</u>	<u>\$ (17.4)</u>	<u>\$ (13.0)</u>	<u>\$ (9.6)</u>	<u>\$ (4.7)</u>	<u>\$ 4.0</u>	

Slight differences in totals due to rounding.

Note (1) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.*

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

**WITH PROPOSED OCT 1, 2009 GAS COST RECOVERY RATES
 (AUGUST 24, 2009 FORWARD PRICES)**

Line No.	Particulars												12 months	
		Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		39.5	64.8	81.7	96.5	69.7	66.4	39.1	21.6	13.8	9.3	12.3	23.0	537.7
3 T-Service UAF - TJ		0.1	0.1	0.2	0.2	0.2	0.1	0.1	-	-	-	-	-	1.0
4														
5 Recovery Unit Cost on Sales - \$/GJ	\$	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501	5.501
6 Recovery Unit Cost on T-Service UAF - \$/GJ	\$	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531	6.531
7														
8 Recovery on Sales - \$000	\$	217.3	356.5	449.4	530.8	383.4	365.3	215.1	118.8	75.9	51.2	67.7	126.5	2,957.9
9 Recovery on T-Service UAF - \$000		0.7	0.7	1.3	1.3	1.3	0.7	0.7	-	-	-	-	-	6.7
10 Total Forecast Recovered Gas Costs - \$000	\$	<u>218.0</u>	<u>357.2</u>	<u>450.7</u>	<u>532.1</u>	<u>384.7</u>	<u>366.0</u>	<u>215.8</u>	<u>118.8</u>	<u>75.9</u>	<u>51.2</u>	<u>67.7</u>	<u>126.5</u>	<u>2,964.6</u>
11														
12														
13														
14 INCURRED GAS COSTS														
15 Total Purchases Incl. Company Use and UAF - TJ		40.1	65.9	83.0	98.1	70.8	67.5	39.7	21.9	14.0	9.4	12.5	23.3	546.2
16														
17														
18 Incurred Cost - \$/GJ	\$	5.9888	6.4490	6.6249	6.7283	6.7316	6.6514	5.6850	5.6831	5.7753	5.8835	5.9091	5.8929	
19														
20 Forecast Incurred Gas Costs - \$000	\$	<u>240.2</u>	<u>425.0</u>	<u>549.9</u>	<u>660.0</u>	<u>476.6</u>	<u>449.0</u>	<u>225.7</u>	<u>124.5</u>	<u>80.9</u>	<u>55.3</u>	<u>73.9</u>	<u>137.3</u>	<u>3,498.3</u>
21														
22														
23														
24														
25														
26 GCRA BALANCE														
27 Opening Balances (Pre-Tax) ^(1*)	\$	5.7	27.9	95.7	189.5	317.4	409.3	492.3	502.2	507.9	512.9	517.0	523.2	
28 Forecast Activity		22.2	67.8	99.2	127.9	91.9	83.0	9.9	5.7	5.0	4.1	6.2	10.8	\$ 533.7
29 Closing Balances (Pre-tax) - \$000	\$	<u>27.9</u>	<u>95.7</u>	<u>194.9</u>	<u>317.4</u>	<u>409.3</u>	<u>492.3</u>	<u>502.2</u>	<u>507.9</u>	<u>512.9</u>	<u>517.0</u>	<u>523.2</u>	<u>534.0</u>	
30														
31														
32 Tax Rate		28.50%	28.50%	28.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
33														
34 Opening Balance (After-Tax)	\$	4.0												
35 Closing Balances (After Tax) - \$000	\$	<u>19.9</u>	<u>68.4</u>	<u>139.3</u>	<u>233.3</u>	<u>300.8</u>	<u>361.8</u>	<u>369.1</u>	<u>373.3</u>	<u>377.0</u>	<u>380.0</u>	<u>384.6</u>	<u>392.5</u>	

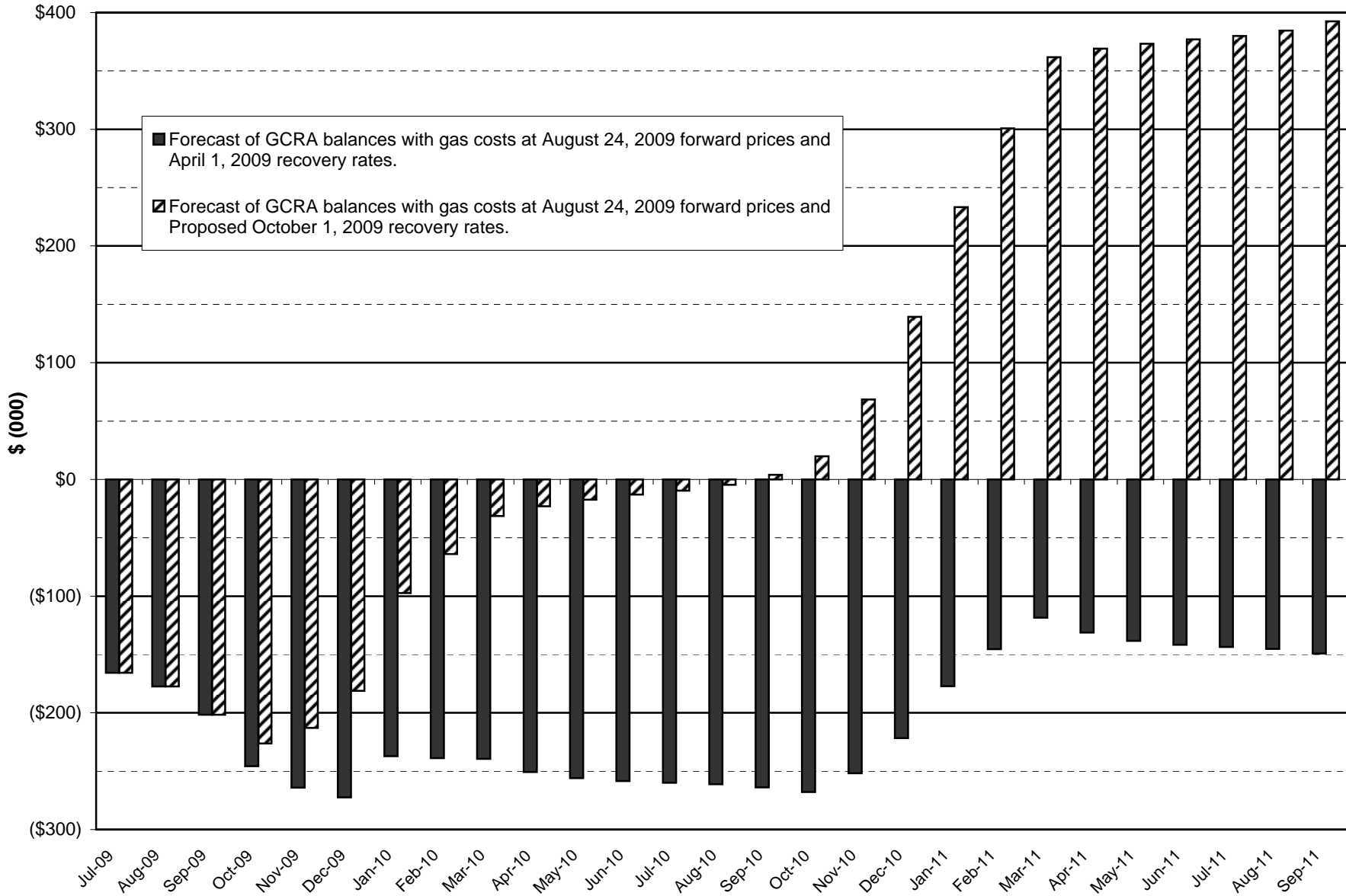
Slight differences in totals due to rounding.

Note (1) Pre-tax opening balances are restated based on current income t*

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES (\$000)
 FOR THE PERIOD ENDING SEPTEMBER 30, 2011
COMPARISON OF PROPOSED OCTOBER 1, 2009 RATES TO EXISTING RATES

Line No.	Particulars	2009 Q3 Gas Cost Report Proposed Oct 1, 2009 Rates (Aug 24, 2009 Forward Prices)		2009 Q3 Gas Cost Report Apr 1, 2009 Gas Cost Recovery Rates (Aug 24, 2009 Forward Prices)	
		(1)	(2)	(2)	(2)
1	2009 January		\$ (94.0)		\$ (94.0)
2	February		\$ (60.7)		\$ (60.7)
3	March		\$ (215.6)		\$ (215.6)
4	April		\$ (26.2)		\$ (26.2)
5	May		\$ (133.6)		\$ (133.6)
6	June		\$ (143.2)		\$ (143.2)
7	July		\$ (165.7)		\$ (165.7)
8	August		\$ (177.3)		\$ (177.3)
9	September		\$ (201.7)		\$ (201.7)
10	October		\$ (226.3)		\$ (245.7)
11	November		\$ (212.8)		\$ (264.0)
12	December		\$ (181.2)		\$ (272.5)
13	2010 January		\$ (97.3)		\$ (237.1)
14	February		\$ (63.9)		\$ (238.7)
15	March		\$ (31.4)		\$ (239.5)
16	April		\$ (23.0)		\$ (250.7)
17	May		\$ (17.4)		\$ (255.9)
18	June		\$ (13.0)		\$ (258.5)
19	July		\$ (9.6)		\$ (259.8)
20	August		\$ (4.7)		\$ (261.1)
21	September		\$ 4.0		\$ (263.9)
22	October		\$ 19.9		\$ (267.8)
23	November		\$ 68.4		\$ (251.7)
24	December		\$ 139.3		\$ (221.6)
25	2011 January		\$ 233.3		\$ (177.2)
26	February		\$ 300.8		\$ (145.4)
27	March		\$ 361.8		\$ (118.5)
28	April		\$ 369.1		\$ (131.3)
29	May		\$ 373.3		\$ (138.2)
30	June		\$ 377.0		\$ (141.7)
31	July		\$ 380.0		\$ (143.5)
32	August		\$ 384.6		\$ (145.3)
33	September		\$ 392.5		\$ (149.2)

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES BY MONTH
 FOR THE PERIOD ENDING SEPTEMBER 2011



TERASEN GAS INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATE 1 DOMESTIC SERVICE
PROPOSED OCTOBER 1, 2009 RATES
BCUC ORDER NO. G-xx-09

Line No.	Schedule	Tariff Page	Particulars	APRIL 1, 2009 EXISTING RATES	Gas Cost Changes	OCTOBER 1, 2009 PROPOSED RATES
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 1	No. 1	Option A			
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	\$7.73	\$0.00	\$7.73
10			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
11			Gas Cost Recovery Charge per Month	\$12.40	(\$1.40)	\$11.00
12			Minimum Monthly Charge (includes first 2 gigajoules)	\$20.60	(\$1.40)	\$19.20
13						
14			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
15			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
16			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
17			Next 28 Gigajoules in any month	\$8.436	(\$0.699)	\$7.737
18						
19			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
20			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
21			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
22			Excess of 30 Gigajoules in any month	\$8.378	(\$0.699)	\$7.679
23						
24						
25	Rate 1	No. 1.1	Option B			
26						
27			Delivery Charge per Month	\$7.73	\$0.00	\$7.73
28			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
29			Gas Cost Recovery Charge per Month	\$12.40	(\$1.40)	\$11.00
30			Minimum Monthly Charge (includes first 2 gigajoules)	\$20.60	(\$1.40)	\$19.20
31						
32			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
33			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
34			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
35			Next 28 Gigajoules in any month	\$8.436	(\$0.699)	\$7.737
36						
37			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
38			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
39			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
40			Excess of 30 Gigajoules in any month	\$8.378	(\$0.699)	\$7.679

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, 2009 RATES
BCUC ORDER NO. G-xx-09

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	APRIL 1, 2009 EXISTING RATES (4)	Gas Cost Changes (5)	OCTOBER 1, 2009 PROPOSED RATES (6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$22.77	\$0.00	\$22.77
2			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
3			Gas Cost Recovery Charge per Month	\$12.40	(\$1.40)	\$11.00
4			Minimum Monthly Charge (includes first 2 gigajoules)	\$35.64	(\$1.40)	\$34.24
5						
6			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
7			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
8			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
9			Next 28 Gigajoules in any month	\$8.668	(\$0.699)	\$7.969
10						
11			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
12			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
13			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
14			Excess of 30 Gigajoules in any month	\$8.597	(\$0.699)	\$7.898
15						
16	Rate 2.2	No. 2	Delivery Charge per Month	\$22.77	\$0.00	\$22.77
17			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
18			Gas Cost Recovery Charge per Month	\$12.40	(\$1.40)	\$11.00
19			Minimum Monthly Charge (includes first 2 gigajoules)	\$35.64	(\$1.40)	\$34.24
20						
21			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
22			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
23			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
24			Next 28 Gigajoules in any month	\$8.668	(\$0.699)	\$7.969
25						
26			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
27			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
28			Gas Cost Recovery Charge per GJ	\$6.200	(\$0.699)	\$5.501
29			Excess of 30 Gigajoules in any month	\$8.597	(\$0.699)	\$7.898
30						
31	Rate 2.3	No. 2.1	Delivery Charge per Month	\$22.42	\$0.00	\$22.42
32			Gas Cost Recovery Charge per Month	\$12.40	(\$1.40)	\$11.00
33			Minimum Monthly Charge (includes first 2 gigajoules)	\$34.82	(\$1.40)	\$33.42
34						
35			Delivery Charge per Month	\$2.755	\$0.000	\$2.755
36			Gas Cost Recovery Charge per Month	\$6.200	(\$0.699)	\$5.501
37			Next 28 Gigajoules in any month	\$8.955	(\$0.699)	\$8.256
38						
39			Delivery Charge per Month	\$2.685	\$0.000	\$2.685
40			Gas Cost Recovery Charge per Month	\$6.200	(\$0.699)	\$5.501
41			Excess of 30 Gigajoules in any month	\$8.885	(\$0.699)	\$8.186

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, 2009 RATES
BCUC ORDER NO. G-xx-09

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	APRIL 1, 2009 EXISTING RATES (4)	Gas Cost Changes (5)	OCTOBER 1, 2009 PROPOSED RATES (6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
4			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
5			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
6						
7			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
8			Gas Cost Recovery Charge per Gigajoule	\$6.200	(\$0.699)	\$5.501
9						
10			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
16			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
17			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
18						
19			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
20			Gas Cost Recovery Charge per Gigajoule	\$6.200	(\$0.699)	\$5.501
21						
22			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
28			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
29			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
30						
31			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
32			Gas Cost Recovery Charge per Gigajoule	\$6.200	(\$0.699)	\$5.501
33						
34			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 IMPACT ON CUSTOMERS BILLS
 BCUC ORDER NO. G-xx-09

RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B

Line No.	EXISTING APRIL 1, 2009 RATES			PROPOSED OCTOBER 1, 2009 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	\$7.73	\$92.76	12 months x	\$7.73	\$92.76	\$0.00	\$0.00	0.00%
5	12 months x	0.47	5.64	12 months x	0.47	5.64	0.00	0.00	0.00%
6	12 months x	12.40	148.80	12 months x	11.00	132.00	(1.40)	(16.80)	-1.37%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$20.60	\$247.20			\$19.20	\$230.40	(\$1.40) (\$16.80) -1.37%
8									
9	<u>Next 28 Gigajoules in any month</u>								
10	116 GJ x	\$2.000	\$232.0000	116 GJ x	\$2.000	\$232.0000	\$0.000	\$0.0000	0.00%
10	116 GJ x	0.236	27.3760	116 GJ x	0.236	27.3760	0.000	0.0000	0.00%
11	116 GJ x	6.200	719.2000	116 GJ x	5.501	638.1160	(0.699)	(81.0840)	-6.61%
12	Total Charges per GJ		\$8.436	\$978.58			\$7.737	\$897.49	(\$0.699) (\$81.09) -6.62%
13									
14	<u>Excess of 30 Gigajoules in any month</u>								
15	0 GJ x	\$1.942	\$0.0000	0 GJ x	\$1.942	\$0.0000	\$0.000	\$0.0000	0.00%
15	0 GJ x	0.236	0.0000	0 GJ x	0.236	0.0000	0.000	0.0000	0.00%
16	0 GJ x	6.200	0.0000	0 GJ x	5.501	0.0000	(0.699)	0.0000	0.00%
17	Total Charges per GJ		\$8.378	\$0.00			\$7.679	\$0.00	(\$0.699) \$0.00 0.00%
18									
19	Total	140 GJ	\$1,225.78	140 GJ	\$1,127.89			(\$97.89)	-7.99%
20									
21	<u>Summary of Annual Delivery and Commodity Charges</u>								
22	Delivery Charge (including RSAM)			\$357.7760				\$357.7760	\$0.0000 0.00%
23	Commodity Charge			868.0000				770.1160	(97.8840) -7.99%
24	Total			\$1,225.78				\$1,127.89	(\$97.89) -7.99%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. 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. - FORT NELSON SERVICE AREA
 IMPACT ON CUSTOMERS BILLS
 BCUC ORDER NO. G-xx-09

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.	EXISTING APRIL 1, 2009 RATES			PROPOSED OCTOBER 1, 2009 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	\$22.77	= \$273.24	12 months x	\$22.77	= \$273.24	\$0.00	\$0.00	0.00%
5	12 months x	0.47	= 5.64	12 months x	0.47	= 5.64	0.00	0.00	0.00%
6	12 months x	12.40	= 148.80	12 months x	11.00	= 132.00	(1.40)	(16.80)	-0.40%
7			\$35.64			\$410.88	(\$1.40)	(\$16.80)	-0.40%
8									
9	<u>Next 298 Gigajoules in any month</u>								
10	436 GJ x	\$2.232	= \$973.1520	436 GJ x	\$2.232	= \$973.1520	\$0.000	\$0.0000	0.00%
11	436 GJ x	0.236	= 102.8960	436 GJ x	0.236	= 102.8960	0.000	0.0000	0.00%
12	436 GJ x	6.200	= 2,703.2000	436 GJ x	5.501	= 2,398.4360	(0.699)	(304.7640)	-7.24%
13			\$8.668			\$3,474.48	(\$0.699)	(\$304.77)	-7.24%
14									
15	<u>Excess of 300 Gigajoules in any month</u>								
16	0 GJ x	\$2.161	= \$0.0000	0 GJ x	\$2.161	= \$0.0000	\$0.000	\$0.0000	0.00%
17	0 GJ x	0.236	= 0.0000	0 GJ x	0.236	= 0.0000	0.000	0.0000	0.00%
18	0 GJ x	6.200	= 0.0000	0 GJ x	5.501	= 0.0000	(0.699)	0.0000	0.00%
19			\$8.597			\$0.00	(\$0.699)	\$0.00	0.00%
20									
21	Total	460 GJ	\$4,206.93	Total	460 GJ	\$3,885.36	(\$321.57)		-7.64%
22									
23	<u>Summary of Annual Delivery and Commodity Charges</u>								
24			\$1,354.9280			\$1,354.9280	\$0.0000		0.00%
25			2,852.0000			2,530.4360	(321.5640)		-7.64%
26			\$4,206.93			\$3,885.36	(\$321.57)		-7.64%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. 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. - FORT NELSON SERVICE AREA
 IMPACT ON CUSTOMERS BILLS
 BCUC ORDER NO. G-xx-09

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.	EXISTING APRIL 1, 2009 RATES			PROPOSED OCTOBER 1, 2009 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	12 months x	\$22.77	= \$273.24	12 months x	\$22.77	= \$273.24	\$0.00	\$0.00	0.00%
5	12 months x	0.47	= 5.64	12 months x	0.47	= 5.64	0.00	0.00	0.00%
6	12 months x	12.40	= 148.80	12 months x	11.00	= 132.00	(1.40)	(16.80)	-0.06%
7			\$35.64			\$427.68	(\$1.40)	(\$16.80)	-0.06%
8									
9	<u>Next 298 Gigajoules in any month</u>								
10	3,076	GJ x	\$2.232 = \$6,865.6320	3,076	GJ x	\$2.232 = \$6,865.6320	\$0.000	\$0.0000	0.00%
11	3,076	GJ x	0.236 = 725.9360	3,076	GJ x	0.236 = 725.9360	0.000	0.0000	0.00%
12	3,076	GJ x	6.200 = 19,071.2000	3,076	GJ x	5.501 = 16,921.0760	(0.699)	(2,150.1240)	-7.94%
13			\$8.668			\$26,662.77	(\$0.699)	(\$2,150.13)	-7.94%
14									
15	<u>Excess of 300 Gigajoules in any month</u>								
16	0	GJ x	\$2.161 = \$0.0000	0	GJ x	\$2.161 = \$0.0000	\$0.000	\$0.0000	0.00%
17	0	GJ x	0.236 = 0.0000	0	GJ x	0.236 = 0.0000	0.000	0.0000	0.00%
18	0	GJ x	6.200 = 0.0000	0	GJ x	5.501 = 0.0000	(0.699)	0.0000	0.00%
19			\$8.597			\$0.00	(\$0.699)	\$0.00	0.00%
20									
21	Total	3,100	GJ	\$27,090.45	3,100	GJ	\$24,923.52	(\$2,166.93)	-8.00%
22									
23	<u>Summary of Annual Delivery and Commodity Charges</u>								
24			\$7,870.4480			\$7,870.4480	\$0.0000	0.00%	
25			19,220.0000			17,053.0760	(2,166.9240)	-8.00%	
26			\$27,090.45			\$24,923.52	(\$2,166.93)	-8.00%	

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. 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

DRAFT ORDER

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Filings by Terasen Gas Inc. regarding
2009 Third Quarter Gas Costs Report
and Rate Changes effective October 1, 2009
for the Fort Nelson Service Area

BEFORE:

[September __, 2009]

WHEREAS:

- A. By Order No. G-25-09 dated March 13, 2009 the British Columbia Utilities Commission (the "Commission") approved the Gas Cost Recovery Change for the Fort Nelson Service Area; and
- B. On September 3, 2009, pursuant to Commission Letter No. L-5-01, Terasen Gas Inc. ("Terasen Gas") filed its 2009 Third Quarter Report on the Gas Cost Reconciliation Account ("GCRA") balance and gas commodity recovery charges for the Fort Nelson Service Area effective October 1, 2009, that were based on August 24, 2009 forward gas prices (the "2009 Third Quarter Report"); and
- C. The 2009 Third Quarter Report forecasts that gas commodity charges at current rates would be 112.7 percent of costs for the following 12 months; and has requested a decrease of \$0.699/GJ in gas commodity recovery charges for natural gas customers in Fort Nelson Service Area, effective October 1, 2009; and
- D. This equates to a decrease to a typical residential customer's annual bill, based on an annual consumption of 140 GJ, of approximately \$98 or 8.0 percent; and
- E. The Commission has determined that the requested changes, as outlined in the 2009 Third Quarter Report, should be approved.

NOW THEREFORE pursuant to Section 61(4) of the Utilities Commission Act, the Commission orders as follows:

1. The Commission approves a \$0.699/GJ decrease in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$5.501/GJ effective October 1, 2009, as set out in Terasen Gas' 2009 Third Quarter Report for Fort Nelson Service Area.
2. Terasen Gas will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.

DATED at the City of Vancouver, in the Province of British Columbia, this day of September, 2009.

BY ORDER