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September 3, 2009

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

Regulatory Affairs Correspondence
Email: regulatory.affairs@terasengas.com

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. – Revelstoke Service Area
2009 Third Quarter Gas Cost Report**

Terasen Gas Inc. (“Terasen Gas” or the “Company”) hereby submits to the British Columbia Utilities Commission (the “Commission”) the 2009 Third Quarter Gas Cost Report for the Revelstoke Service Area (“Revelstoke”). The attached schedules provide a summary of the forecast monthly Propane Cost Deferral Account balances based on the forward prices as at August 24, 2009.

Terasen Gas, consistent with previous quarterly gas cost filings, has calculated the forecast cost of propane utilizing three sets of forward prices. One forecast is based on an average of 50% NYMEX West Texas Intermediate (“WTI”) Light Sweet Crude Oil futures and 50% NYMEX Mt. Belvieu Propane futures, a second forecast is based on the NYMEX WTI Light Sweet Crude Oil futures, and a third forecast is based on the NYMEX Mt. Belvieu Propane futures. The results based on each of these three forecasts are attached under Tab 1, Tab 2, and Tab 3, respectively.

As shown at Tab 1, Page 1, based on the August 24, 2009 forward prices, using an average of 50% NYMEX WTI Light Sweet Crude Oil futures and 50% NYMEX Mt. Belvieu Propane futures, and based on the current rates, the projected deferral account balance at September 30, 2009 is \$220,661 surplus (pre-tax), and the forecast balance at September 30, 2010 is \$205,518 deficit (pre-tax). The rate change trigger mechanism is calculated to be 91.0%.

As shown at Tab 2, Page 1, based on the August 24, 2009 forward prices, using NYMEX WTI Light Sweet Crude Oil futures, and based on the current rates, the projected deferral account balance at September 30, 2009 is \$234,728 surplus (pre-tax), and the forecast balance at September 30, 2010 is \$305,088 deficit (pre-tax). The rate change trigger mechanism is calculated to be 87.2%.

As shown at Tab 3, Page 1, based on the August 24, 2009 forward prices, using NYMEX Mt. Belvieu Propane futures, and based on the current rates, the projected deferral account balance at September 30, 2009 is \$206,623 surplus (pre-tax), and the forecast balance at September 30, 2010 is \$106,245 deficit (pre-tax). The rate change trigger mechanism is calculated to be 95.1%.

Based on the August 24, 2009 forward prices, using an average of 50% NYMEX WTI Light Sweet Crude Oil futures and 50% NYMEX Mt. Belvieu Propane futures, and the 12-month amortization of the projected September 30, 2009 deferral account surplus balance an increase in the reference price to \$0.2998/litre (Tab 1, Page 4, Column 2, Line 10) has been calculated, which corresponds to a customer rate increase of \$1.106/GJ (Tab 1, Page 4, Column 3, Line 20) and equates to a burner tip increase of approximately \$55 per year or 6.2% for a typical residential customer with an average annual consumption of 50 GJ.

While the forecasts based either 50% or fully on the NYMEX WTI Light Sweet Crude Oil futures produce rate change trigger ratios which fall outside the 95% to 105% deadband range, the forecast based fully on the NYMEX Mt. Belvieu Propane futures provides a rate change trigger ratio which falls within the acceptable deadband range.

The Company acknowledges the commodity futures markets continue to experience a large degree of price volatility and that the forecast based on the NYMEX Mt. Belvieu Propane futures may provide a more conservative outlook. Further, the Revelstoke Propane Cost Deferral Account balance is currently in a surplus position and under each of the three forecasts presented the deferral account is projected to remain in a surplus position until after the end of January 2010. Terasen Gas proposes no change be made to the propane reference price at this time.

For information purposes, Terasen Gas provides at Tab 4, Page 1, a summary of the three sets of forward prices as at August 24, 2009. One set is based on the NYMEX WTI Light Sweet Crude Oil futures, a second set based on the NYMEX Mt. Belvieu Propane futures, and a third set based on an average of 50% NYMEX WTI Light Sweet Crude Oil futures and 50% NYMEX Mt. Belvieu Propane futures.

Provided in Tab 5 are the details of the forecast gas costs for Revelstoke. 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.

In summary, Terasen Gas proposes that the propane reference price for use in the Revelstoke Propane Cost Deferral Account and customer rates remain unchanged at October 1, 2009. Terasen Gas will continue to monitor the forward prices and will report these results in the 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.

Tab 1

REVELSTOKE PROPANE DEFERRAL

Page 1

FOR THE PERIOD ENDING SEPTEMBER 30, 2010

WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)

(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
1	June 30, 2009 Balance						(\$266,694)
2	July (Recorded Storage Demand Fee)					\$55,200 ^(A)	(\$211,494)
3	July (Projected - Commodity)	1,143,167	\$0.2371	\$0.2373 ^(B)	(\$0.0002)	(\$229)	(\$211,723)
4	August (Projected)	210,987	\$0.2180	\$0.2728	(\$0.0548)	(\$11,562)	(\$223,285)
5	September (Forecast)	285,223	\$0.2820	\$0.2728	\$0.0092	\$2,624	(\$220,661)
6	Current Quarter Total	<u>1,639,377</u>				<u>\$46,033</u>	
7							
8	<u>Forecast Volumes and Forecast Prices</u>						
9	October 2009 (Forecast)	648,590	\$0.3130	\$0.2728	\$0.0402	\$26,073	(\$194,588)
10	November (Forecast)	886,927	\$0.3005	\$0.2728	\$0.0277	\$24,568	(\$170,020)
11	December (Forecast)	1,195,593	\$0.3205	\$0.2728	\$0.0477	\$57,030	(\$112,990)
12	January 2010 (Forecast)	1,183,871	\$0.3385	\$0.2728	\$0.0657	\$77,780	(\$35,210)
13	February (Forecast)	925,998	\$0.3284	\$0.2728	\$0.0556	\$51,486	\$16,276
14	March (Forecast)	894,741	\$0.3153	\$0.2728	\$0.0425	\$38,026	\$54,302
15	April (Forecast)	507,932	\$0.3494	\$0.2728	\$0.0766	\$38,908	\$93,210
16	May (Forecast)	390,717	\$0.3436	\$0.2728	\$0.0708	\$27,663	\$120,873
17	June (Forecast)	242,244	\$0.3432	\$0.2728	\$0.0704	\$17,054	\$137,927
18	July (Forecast)	242,244	\$0.3537	\$0.2728	\$0.0809	\$19,598	\$157,525
19	August (Forecast)	214,894	\$0.3589	\$0.2728	\$0.0861	\$18,502	\$176,027
20	September (Forecast)	289,130	\$0.3748	\$0.2728	\$0.1020	\$29,491	\$205,518
21	Total - Oct 2009 to Sep 2010	<u>7,622,880</u>				<u>\$426,179</u>	
22							
23							
24							
25	Forecast Recovered Costs [(Line 21 Col. 2) x (Line 20 Col. 4)]					\$2,079,522	
26	Sept 30, 2009 Deferral Balance (Line 5 Col. 7) + Forecast Costs (Page 3 Line 13 Col. 9)					\$2,285,108	91.0%

Note (A) 2009/2010 contract year storage demand fee.

Note (B) Blended existing \$0.2728/litre and previous \$0.2091/litre propane reference price, effective July 1, 2009 (BCUC Order No. G-74-09) and April 1, 2009 (BCUC Order No. G-24-09) respectively.

TERASEN GAS INC.

Tab 1

REVELSTOKE PROPANE DEFERRAL

Page 2

FOR THE PERIOD ENDING SEPTEMBER 30, 2011

WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)

(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
1	September 2010 Balance (Forecast)						\$205,518
2	October (Forecast)	660,311	\$0.3878	\$0.2728	\$0.1150	\$75,936	\$281,454
3	November (Forecast)	906,462	\$0.4054	\$0.2728	\$0.1326	\$120,197	\$401,651
4	December (Forecast)	1,226,850	\$0.4085	\$0.2728	\$0.1357	\$166,484	\$568,135
5	January 2011 (Forecast)	1,211,221	\$0.4184	\$0.2728	\$0.1456	\$176,354	\$744,489
6	February (Forecast)	945,534	\$0.4133	\$0.2728	\$0.1405	\$132,848	\$877,337
7	March (Forecast)	922,091	\$0.4041	\$0.2728	\$0.1313	\$121,071	\$998,408
8	April (Forecast)	519,653	\$0.3689	\$0.2728	\$0.0961	\$49,939	\$1,048,347
9	May (Forecast)	402,438	\$0.3634	\$0.2728	\$0.0906	\$36,461	\$1,084,808
10	June (Forecast)	246,151	\$0.3613	\$0.2728	\$0.0885	\$21,784	\$1,106,592
11	July (Forecast)	250,059	\$0.3707	\$0.2728	\$0.0979	\$24,481	\$1,131,073
12	August (Forecast)	218,801	\$0.3746	\$0.2728	\$0.1018	\$22,274	\$1,153,347
13	September (Forecast)	300,852	\$0.3894	\$0.2728	\$0.1166	\$35,079	\$1,188,426
14	Total - Oct 2010 to Sep 2011	<u>7,810,424</u>				<u>\$982,908</u>	

TERASEN GAS INC.
 REVELSTOKE FORECAST AVERAGE COST OF PROPANE
 FOR THE PERIOD ENDING SEPTEMBER 30, 2010

(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Sales Volume (Litres)	Fixed Price Volume (Litres)	Variable Volume (Litres)	Fixed Price (\$/litre)	Variable Price (\$/litre)	Fixed Charges (\$)	Variable Charges (\$)	Total (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	October 2009	648,590	-	648,590	\$ -	\$ 0.3130	\$ -	\$ 203,012	\$ 203,012
2	November	886,927	550,000	336,927	\$ 0.2780	\$ 0.3372	\$ 152,900	\$ 113,613	\$ 266,513
3	December	1,195,593	550,000	645,593	\$ 0.2780	\$ 0.3568	\$ 152,900	\$ 230,326	\$ 383,226
4	January 2010	1,183,871	550,000	633,871	\$ 0.2880	\$ 0.3823	\$ 158,400	\$ 242,338	\$ 400,737
5	February	925,998	550,000	375,998	\$ 0.2880	\$ 0.3874	\$ 158,400	\$ 145,679	\$ 304,078
6	March	894,741	550,000	344,741	\$ 0.2880	\$ 0.3590	\$ 158,400	\$ 123,747	\$ 282,146
7	April	507,932	-	507,932	\$ -	\$ 0.3494	\$ -	\$ 177,457	\$ 177,457
8	May	390,717	-	390,717	\$ -	\$ 0.3436	\$ -	\$ 134,265	\$ 134,265
9	June	242,244	-	242,244	\$ -	\$ 0.3432	\$ -	\$ 83,150	\$ 83,150
10	July	242,244	-	242,244	\$ -	\$ 0.3537	\$ -	\$ 85,693	\$ 85,693
11	August	214,894	-	214,894	\$ -	\$ 0.3589	\$ -	\$ 77,121	\$ 77,121
12	September	289,130	-	289,130	\$ -	\$ 0.3748	\$ -	\$ 108,372	\$ 108,372
13	Total - Oct 2009 to Sep 2010	7,622,880	2,750,000	4,872,880			\$ 780,999	\$ 1,724,770	\$ 2,505,769
14									
15	Forecast Average Cost of Propane - (\$/Litre)^(A)								\$ 0.3287
16									
17	Forecast Average Cost of Propane - (\$/GJ)^(A)								\$ 12.843
18	(Conversion factor 1 Litre = 0.025594 GJ)								

Note (A) Forecast average cost of propane excludes company use, vaporizer use, and unaccounted for gas.

TERASEN GAS INC.
REVELSTOKE PROPANE
CALCULATION OF PROPANE COST INCREASE FLOWTHROUGH
FOR THE PERIOD OCTOBER 1, 2009 TO SEPTEMBER 30, 2010

Tab 1
Page 4

(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	\$/Litre	\$/GJ	
	(1)	(2)	(3)	
1	Calculation of New Propane Reference Price			
2				
3	i. Forecast average Cost of Propane (Tab 1, Page 3, Line 15, Col.9)			
4	October 1, 2009 to September 30, 2010	\$0.3287	\$12.843	
5				
6	ii. Twelve months amortization of projected Deferral Account balance	(0.0289)	(\$1.129)	
7				
8				
9				
10	New Reference Price	\$0.2998	\$11.714	
11				
12	Existing Propane Reference Price (BCUC Order No. G-74-09)	\$0.2728	\$10.659	
13	(Conversion factor 1 Litre = 0.025594 GJ)			
14				
15				
16	Increase in Propane Reference Price to be flowed through in customers' rates	\$0.0270	\$1.055	
17				
18	Add: Unaccounted For/Company Use/Vaporizer Use Adjustment of 4.78% ⁽¹⁾	0.0013	\$0.051	
19				
20	Total Propane Cost Flowthrough ⁽²⁾	\$0.0283	\$1.106	
21	(Conversion factor 1 Litre = 0.025594 GJ)			
22				
23				
24				
25				
26	Note: (1) The Unaccounted For/Company Use/Vaporizer Use Adjustment of 4.78% is based on 2006, 2007 and 2008 data.			
27		Litres	%	
28	Sales	23,433,166		
29				
30	Less: Company Use	6,821	0.03%	
31	Propane Used for Vaporizer	270,947	1.16%	
32	Unaccounted For	840,210	3.59%	
33	Total	<u>1,117,978</u>	<u>4.78%</u>	
34				
35	Note: (2)			
36	Projected Deferral Balance at September 30, 2009	(\$0.0289)	(\$1.129)	
37	Total Propane Cost - Oct 1, 2009 to Sept 30, 2010	\$0.0572	\$2.235	
38	Total Propane Cost Flowthrough	<u>\$0.0283</u>	<u>\$1.106</u>	

TERASEN GAS INC.
REVELSTOKE PROPANE DEFERRAL
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

Tab 1
Page 5

**WITH PROPOSED REFERENCE PRICE EFFECTIVE OCTOBER 1, 2009
(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)**

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
1	June 30, 2009 Balance						(\$266,694)
2	July (Recorded Storage Demand Fee)					\$55,200 ^(A)	(\$211,494)
3	July (Projected - Commodity)	1,143,167	\$0.2371	\$0.2373 ^(B)	(\$0.0002)	(\$229)	(\$211,723)
4	August (Projected)	210,987	\$0.2180	\$0.2728	(\$0.0548)	(\$11,562)	(\$223,285)
5	September (Forecast)	285,223	\$0.2820	\$0.2728	\$0.0092	\$2,624	(\$220,661)
6	Current Quarter Total	<u>1,639,377</u>				<u>\$46,033</u>	
7							
8							
9							
10							
11	<u>Forecast Volumes and Forecast Prices</u>			<u>Proposed Reference Price</u>			
12	October 2009 (Forecast)	648,590	\$0.3130	\$0.2998	\$0.0132	\$8,561	(\$212,100)
13	November (Forecast)	886,927	\$0.3005	\$0.2998	\$0.0007	\$621	(\$211,479)
14	December (Forecast)	1,195,593	\$0.3205	\$0.2998	\$0.0207	\$24,749	(\$186,730)
15	January 2010 (Forecast)	1,183,871	\$0.3385	\$0.2998	\$0.0387	\$45,816	(\$140,914)
16	February (Forecast)	925,998	\$0.3284	\$0.2998	\$0.0286	\$26,484	(\$114,430)
17	March (Forecast)	894,741	\$0.3153	\$0.2998	\$0.0155	\$13,868	(\$100,562)
18	April (Forecast)	507,932	\$0.3494	\$0.2998	\$0.0496	\$25,193	(\$75,369)
19	May (Forecast)	390,717	\$0.3436	\$0.2998	\$0.0438	\$17,113	(\$58,256)
20	June (Forecast)	242,244	\$0.3432	\$0.2998	\$0.0434	\$10,513	(\$47,743)
21	July (Forecast)	242,244	\$0.3537	\$0.2998	\$0.0539	\$13,057	(\$34,686)
22	August (Forecast)	214,894	\$0.3589	\$0.2998	\$0.0591	\$12,700	(\$21,986)
23	September (Forecast)	289,130	\$0.3748	\$0.2998	\$0.0750	\$21,685	(\$301)
24	Total - Oct 2009 to Sep 2010	<u>7,622,880</u>				<u>\$220,360</u>	

Note (A) 2009/2010 contract year storage demand fee.

Note (B) Blended existing \$0.2728/litre and previous \$0.2091/litre propane reference price, effective July 1, 2009 (BCUC Order No. G-74-09) and April 1, 2009 (BCUC Order No. G-24-09) respectively.

TERASEN GAS INC.
 REVELSTOKE PROPANE DEFERRAL
 FOR THE PERIOD ENDING SEPTEMBER 30, 2011

Tab 1
 Page 6

**WITH PROPOSED REFERENCE PRICE EFFECTIVE OCTOBER 1, 2009
 (AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)**

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Proposed Reference Price	Amount Deferrec Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
	September 2010 Balance (Forecast)						(\$301)
	October (Forecast)	660,311	\$0.3878	\$0.2998	\$0.0880	\$58,107	\$57,806
	November (Forecast)	906,462	\$0.4054	\$0.2998	\$0.1056	\$95,722	\$153,528
	December (Forecast)	1,226,850	\$0.4085	\$0.2998	\$0.1087	\$133,359	\$286,887
	January 2011 (Forecast)	1,211,221	\$0.4184	\$0.2998	\$0.1186	\$143,651	\$430,538
	February (Forecast)	945,534	\$0.4133	\$0.2998	\$0.1135	\$107,318	\$537,856
	March (Forecast)	922,091	\$0.4041	\$0.2998	\$0.1043	\$96,174	\$634,030
	April (Forecast)	519,653	\$0.3689	\$0.2998	\$0.0691	\$35,908	\$669,938
	May (Forecast)	402,438	\$0.3634	\$0.2998	\$0.0636	\$25,595	\$695,533
	June (Forecast)	246,151	\$0.3613	\$0.2998	\$0.0615	\$15,138	\$710,671
	July (Forecast)	250,059	\$0.3707	\$0.2998	\$0.0709	\$17,729	\$728,400
	August (Forecast)	218,801	\$0.3746	\$0.2998	\$0.0748	\$16,366	\$744,766
	September (Forecast)	300,852	\$0.3894	\$0.2998	\$0.0896	\$26,956	\$771,722
	Total - Oct 2010 to Sep 2011	<u>7,810,424</u>				<u>\$772,023</u>	

TERASEN GAS INC.
PROPOSED OCTOBER 1, 2009 PROPANE COST INCREASE
TYPICAL ANNUAL CONSUMPTION

(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX 50% WTI LIGHT SWEET CRUDE OIL AND 50% MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Rate 1 - Residential				Rate 2 - Small Commercial				Rate 3 - Large Commercial			
		Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/mo.)	Revenue (\$)	% Increase	Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/mo.)	Revenue (\$)	% Increase	Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/mo.)	Revenue (\$)	% Increase
1	REVELSTOKE PROPANE												
2	- INLAND SERVICE AREA												
3													
4	Delivery Margin Related Charges												
5	Basic Charge		\$11.84	\$142.08			\$24.84	\$298.08			\$132.52	\$1,590.24	
6	Delivery Margin Related Charge	50.0	\$2.795	139.75		250.0	\$2.351	587.75		4,500.0	\$2.037	9,166.50	
7													
8	Cost of Gas (Commodity Related Charges)												
9	Cost of Gas Recovery Related Charges	50.0	\$12.096	<u>604.80</u>		250.0	\$11.005	<u>2,751.25</u>		4,500.0	\$11.005	<u>49,522.50</u>	
10													
11	Typical Annual Bill at current rates (excluding any applicable PST, GST, or Carbon Tax)	<u>50.0</u>		<u>886.63</u>		<u>250.0</u>		<u>3,637.08</u>		<u>4,500.0</u>		<u>60,279.24</u>	
12													
13													
14													
15	Oct 1, 2009 Propane Cost Flowthrough												
16	Propane Price Increase		\$1.106	<u>55.30</u>	6.2%		\$1.106	<u>276.50</u>	7.6%		\$1.106	<u>4,977.00</u>	8.3%
17	Typical Annual Bill after Propane Price Change			<u>\$941.93</u>				<u>\$3,913.58</u>				<u>\$65,256.24</u>	

TERASEN GAS INC.
REVELSTOKE PROPANE DEFERRAL
FOR THE PERIOD ENDING SEPTEMBER 30, 2010
WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)
(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX WTI LIGHT SWEET CRUDE OIL FUTURES)

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
1	June 30, 2009 Balance						(\$266,694)
2	July (Recorded Storage Demand Fee)					\$55,200 ^(A)	(\$211,494)
3	July (Projected - Commodity)	1,143,167	\$0.2371	\$0.2373 ^(B)	(\$0.0002)	(\$229)	(\$211,723)
4	August (Projected)	210,987	\$0.1931	\$0.2728	(\$0.0797)	(\$16,816)	(\$228,539)
5	September (Forecast)	285,223	\$0.2511	\$0.2728	(\$0.0217)	(\$6,189)	(\$234,728)
6	Current Quarter Total	<u>1,639,377</u>				<u>\$31,966</u>	
7							
8	<u>Forecast Volumes and Forecast Prices</u>						
9	October 2009 (Forecast)	648,590	\$0.3030	\$0.2728	\$0.0302	\$19,587	(\$215,141)
10	November (Forecast)	886,927	\$0.3032	\$0.2728	\$0.0304	\$26,963	(\$188,178)
11	December (Forecast)	1,195,593	\$0.3333	\$0.2728	\$0.0605	\$72,333	(\$115,845)
12	January 2010 (Forecast)	1,183,871	\$0.3538	\$0.2728	\$0.0810	\$95,894	(\$19,951)
13	February (Forecast)	925,998	\$0.3451	\$0.2728	\$0.0723	\$66,950	\$46,999
14	March (Forecast)	894,741	\$0.3237	\$0.2728	\$0.0509	\$45,542	\$92,541
15	April (Forecast)	507,932	\$0.3784	\$0.2728	\$0.1056	\$53,638	\$146,179
16	May (Forecast)	390,717	\$0.3729	\$0.2728	\$0.1001	\$39,111	\$185,290
17	June (Forecast)	242,244	\$0.3694	\$0.2728	\$0.0966	\$23,401	\$208,691
18	July (Forecast)	242,244	\$0.3870	\$0.2728	\$0.1142	\$27,664	\$236,355
19	August (Forecast)	214,894	\$0.3989	\$0.2728	\$0.1261	\$27,098	\$263,453
20	September (Forecast)	289,130	\$0.4168	\$0.2728	\$0.1440	\$41,635	\$305,088
21	Total - Oct 2009 to Sep 2010	<u>7,622,880</u>				<u>\$539,816</u>	
22							
23							
24							
25	Forecast Recovered Costs [(Line 21 Col. 2) x (Line 20 Col. 4)]				\$2,079,522		
26	Sept 30, 2009 Deferral Balance (Line 5 Col. 7) + Forecast Costs (Page 3 Line 13 Col. 9)				\$2,384,527	87.2%	

Note (A) 2009/2010 contract year storage demand fee.

Note (B) Blended existing \$0.2728/litre and previous \$0.2091/litre propane reference price, effective July 1, 2009 (BCUC Order No. G-74-09) and April 1, 2009 (BCUC Order No. G-24-09) respectively.

TERASEN GAS INC.
REVELSTOKE PROPANE DEFERRAL
FOR THE PERIOD ENDING SEPTEMBER 30, 2011
WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)
(AUG 24, 2009 FORWARD PRICES BASED ON NYMEX WTI LIGHT SWEET CRUDE OIL FUTURES)

Line No.	Particulars (1)	Volumes In Litre (2)	Average Price Per Litre (3)	Approved Reference Price (4)	Amount Deferred Per Litre (5)=(3)-(4)	Amount Deferred (6)=(2)*(5)	Pre-Tax Deferral Balance (7)
1	September 2010 Balance (Forecast)						\$305,088
2	October (Forecast)	660,311	\$0.4348	\$0.2728	\$0.1620	\$106,970	\$412,058
3	November (Forecast)	906,462	\$0.4249	\$0.2728	\$0.1521	\$137,873	\$549,931
4	December (Forecast)	1,226,850	\$0.4414	\$0.2728	\$0.1686	\$206,847	\$756,778
5	January 2011 (Forecast)	1,211,221	\$0.4470	\$0.2728	\$0.1742	\$210,995	\$967,773
6	February (Forecast)	945,534	\$0.4322	\$0.2728	\$0.1594	\$150,718	\$1,118,491
7	March (Forecast)	922,091	\$0.4154	\$0.2728	\$0.1426	\$131,490	\$1,249,981
8	April (Forecast)	519,653	\$0.4003	\$0.2728	\$0.1275	\$66,256	\$1,316,237
9	May (Forecast)	402,438	\$0.3952	\$0.2728	\$0.1224	\$49,258	\$1,365,495
10	June (Forecast)	246,151	\$0.3903	\$0.2728	\$0.1175	\$28,923	\$1,394,418
11	July (Forecast)	250,059	\$0.4074	\$0.2728	\$0.1346	\$33,658	\$1,428,076
12	August (Forecast)	218,801	\$0.4188	\$0.2728	\$0.1460	\$31,945	\$1,460,021
13	September (Forecast)	<u>300,852</u>	\$0.4362	\$0.2728	\$0.1634	<u>\$49,159</u>	\$1,509,180
14	Total - Oct 2010 to Sep 2011	<u><u>7,810,424</u></u>				<u><u>\$1,204,092</u></u>	

TERASEN GAS INC.
 REVELSTOKE FORECAST AVERAGE COST OF PROPANE
 FOR THE PERIOD ENDING SEPTEMBER 30, 2010
 (AUG 24, 2009 FORWARD PRICES BASED ON NYMEX WTI LIGHT SWEET CRUDE OIL FUTURES)

Line No.	Particulars	Sales Volume (Litres)	Fixed Price Volume (Litres)	Variable Volume (Litres)	Fixed Price (\$/litre)	Variable Price (\$/litre)	Fixed Charges (\$)	Variable Charges (\$)	Total (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	October 2009	648,590	-	648,590	\$ -	\$ 0.3030	\$ -	\$ 196,509	\$ 196,509
2	November	886,927	550,000	336,927	\$ 0.2780	\$ 0.3443	\$ 152,900	\$ 116,017	\$ 268,916
3	December	1,195,593	550,000	645,593	\$ 0.2780	\$ 0.3804	\$ 152,900	\$ 245,601	\$ 398,501
4	January 2010	1,183,871	550,000	633,871	\$ 0.2880	\$ 0.4109	\$ 158,400	\$ 260,443	\$ 418,842
5	February	925,998	550,000	375,998	\$ 0.2880	\$ 0.4286	\$ 158,400	\$ 161,134	\$ 319,534
6	March	894,741	550,000	344,741	\$ 0.2880	\$ 0.3807	\$ 158,400	\$ 131,227	\$ 289,626
7	April	507,932	-	507,932	\$ -	\$ 0.3784	\$ -	\$ 192,187	\$ 192,187
8	May	390,717	-	390,717	\$ -	\$ 0.3729	\$ -	\$ 145,683	\$ 145,683
9	June	242,244	-	242,244	\$ -	\$ 0.3694	\$ -	\$ 89,497	\$ 89,497
10	July	242,244	-	242,244	\$ -	\$ 0.3870	\$ -	\$ 93,743	\$ 93,743
11	August	214,894	-	214,894	\$ -	\$ 0.3989	\$ -	\$ 85,713	\$ 85,713
12	September	289,130	-	289,130	\$ -	\$ 0.4168	\$ -	\$ 120,504	\$ 120,504
13	Total - Oct 2009 to Sep 2010	7,622,880	2,750,000	4,872,880			\$ 780,999	\$ 1,838,256	\$ 2,619,255
14									
15	Forecast Average Cost of Propane - (\$/Litre)^(A)								\$ 0.3436
16									
17	Forecast Average Cost of Propane - (\$/GJ)^(A)								\$ 13.425
18	(Conversion factor 1 Litre = 0.025594 GJ)								

Note (A) Forecast average cost of propane excludes company use, vaporizer use, and unaccounted for gas.

TERASEN GAS INC.
REVELSTOKE PROPANE DEFERRAL
FOR THE PERIOD ENDING SEPTEMBER 30, 2010
WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)
(AUG 24, 2009 FORWARD PRICES BASED ON MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)
1	June 30, 2009 Balance						(\$266,694)
2	July (Recorded Storage Demand Fee)					\$55,200 ^(A)	(\$211,494)
3	July (Projected - Commodity)	1,143,167	\$0.2371	\$0.2373 ^(B)	(\$0.0002)	(\$229)	(\$211,723)
4	August (Projected)	210,987	\$0.2429	\$0.2728	(\$0.0299)	(\$6,309)	(\$218,032)
5	September (Forecast)	285,223	\$0.3128	\$0.2728	\$0.0400	\$11,409	(\$206,623)
6	Current Quarter Total	<u>1,639,377</u>				<u>\$60,071</u>	
7							
8	<u>Forecast Volumes and Forecast Prices</u>						
9	October 2009 (Forecast)	648,590	\$0.3230	\$0.2728	\$0.0502	\$32,559	(\$174,064)
10	November (Forecast)	886,927	\$0.2978	\$0.2728	\$0.0250	\$22,173	(\$151,891)
11	December (Forecast)	1,195,593	\$0.3078	\$0.2728	\$0.0350	\$41,846	(\$110,045)
12	January 2010 (Forecast)	1,183,871	\$0.3232	\$0.2728	\$0.0504	\$59,667	(\$50,378)
13	February (Forecast)	925,998	\$0.3117	\$0.2728	\$0.0389	\$36,021	(\$14,357)
14	March (Forecast)	894,741	\$0.3070	\$0.2728	\$0.0342	\$30,600	\$16,243
15	April (Forecast)	507,932	\$0.3204	\$0.2728	\$0.0476	\$24,178	\$40,421
16	May (Forecast)	390,717	\$0.3144	\$0.2728	\$0.0416	\$16,254	\$56,675
17	June (Forecast)	242,244	\$0.3171	\$0.2728	\$0.0443	\$10,731	\$67,406
18	July (Forecast)	242,244	\$0.3205	\$0.2728	\$0.0477	\$11,555	\$78,961
19	August (Forecast)	214,894	\$0.3189	\$0.2728	\$0.0461	\$9,907	\$88,868
20	September (Forecast)	289,130	\$0.3329	\$0.2728	\$0.0601	\$17,377	\$106,245
21	Total - Oct 2009 to Sep 2010	<u>7,622,880</u>				<u>\$312,868</u>	
22							
23							
24							
25	Forecast Recovered Costs [(Line 21 Col. 2) x (Line 20 Col. 4)]				\$2,079,522		
26	Sept 30, 2009 Deferral Balance (Line 5 Col. 7) + Forecast Costs (Page 3 Line 13 Col. 9)				\$2,185,659	= 95.1%	

Note (A) 2009/2010 contract year storage demand fee.

Note (B) Blended existing \$0.2728/litre and previous \$0.2091/litre propane reference price, effective July 1, 2009 (BCUC Order No. G-74-09) and April 1, 2009 (BCUC Order No. G-24-09) respectively.

TERASEN GAS INC.
REVELSTOKE PROPANE DEFERRAL
FOR THE PERIOD ENDING SEPTEMBER 30, 2011
WITH EXISTING PROPANE REFERENCE PRICE (COMMISSION ORDER NO. G-74-09)
(AUG 24, 2009 FORWARD PRICES BASED ON MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars (1)	Volumes In Litre (2)	Average Price Per Litre (3)	Approved Reference Price (4)	Amount Deferred Per Litre (5)=(3)-(4)	Amount Deferred (6)=(2)*(5)	Pre-Tax Deferral Balance (7)
1	September 2010 Balance (Forecast)						\$106,245
2	October (Forecast)	660,311	\$0.3408	\$0.2728	\$0.0680	\$44,901	\$151,146
3	November (Forecast)	906,462	\$0.3859	\$0.2728	\$0.1131	\$102,521	\$253,667
4	December (Forecast)	1,226,850	\$0.3756	\$0.2728	\$0.1028	\$126,120	\$379,787
5	January 2011 (Forecast)	1,211,221	\$0.3899	\$0.2728	\$0.1171	\$141,834	\$521,621
6	February (Forecast)	945,534	\$0.3943	\$0.2728	\$0.1215	\$114,882	\$636,503
7	March (Forecast)	922,091	\$0.3928	\$0.2728	\$0.1200	\$110,651	\$747,154
8	April (Forecast)	519,653	\$0.3375	\$0.2728	\$0.0647	\$33,622	\$780,776
9	May (Forecast)	402,438	\$0.3315	\$0.2728	\$0.0587	\$23,623	\$804,399
10	June (Forecast)	246,151	\$0.3324	\$0.2728	\$0.0596	\$14,671	\$819,070
11	July (Forecast)	250,059	\$0.3341	\$0.2728	\$0.0613	\$15,329	\$834,399
12	August (Forecast)	218,801	\$0.3304	\$0.2728	\$0.0576	\$12,603	\$847,002
13	September (Forecast)	<u>300,852</u>	\$0.3426	\$0.2728	\$0.0698	<u>\$20,999</u>	\$868,001
14	Total - Oct 2010 to Sep 2011	<u><u>7,810,424</u></u>				<u><u>\$761,756</u></u>	

TERASEN GAS INC.
 REVELSTOKE FORECAST AVERAGE COST OF PROPANE
 FOR THE PERIOD ENDING SEPTEMBER 30, 2010
 (AUG 24, 2009 FORWARD PRICES BASED ON MT. BELVIEU PROPANE FUTURES)

Line No.	Particulars	Sales Volume (Litres)	Fixed Price Volume (Litres)	Variable Volume (Litres)	Fixed Price (\$/litre)	Variable Price (\$/litre)	Fixed Charges (\$)	Variable Charges (\$)	Total (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	October 2009	648,590	-	648,590	\$ -	\$ 0.3230	\$ -	\$ 209,514	\$ 209,514
2	November	886,927	550,000	336,927	\$ 0.2780	\$ 0.3301	\$ 152,900	\$ 111,209	\$ 264,109
3	December	1,195,593	550,000	645,593	\$ 0.2780	\$ 0.3331	\$ 152,900	\$ 215,051	\$ 367,951
4	January 2010	1,183,871	550,000	633,871	\$ 0.2880	\$ 0.3538	\$ 158,400	\$ 224,233	\$ 382,632
5	February	925,998	550,000	375,998	\$ 0.2880	\$ 0.3463	\$ 158,400	\$ 130,223	\$ 288,623
6	March	894,741	550,000	344,741	\$ 0.2880	\$ 0.3373	\$ 158,400	\$ 116,267	\$ 274,666
7	April	507,932	-	507,932	\$ -	\$ 0.3204	\$ -	\$ 162,727	\$ 162,727
8	May	390,717	-	390,717	\$ -	\$ 0.3144	\$ -	\$ 122,846	\$ 122,846
9	June	242,244	-	242,244	\$ -	\$ 0.3171	\$ -	\$ 76,804	\$ 76,804
10	July	242,244	-	242,244	\$ -	\$ 0.3205	\$ -	\$ 77,642	\$ 77,642
11	August	214,894	-	214,894	\$ -	\$ 0.3189	\$ -	\$ 68,529	\$ 68,529
12	September	289,130	-	289,130	\$ -	\$ 0.3329	\$ -	\$ 96,240	\$ 96,240
13	Total - Oct 2009 to Sep 2010	7,622,880	2,750,000	4,872,880			\$ 780,999	\$ 1,611,284	\$ 2,392,282
14									
15	Forecast Average Cost of Propane - (\$/Litre)^(A)								\$ 0.3138
16									
17	Forecast Average Cost of Propane - (\$/GJ)^(A)								\$ 12.261
18	(Conversion factor 1 Litre = 0.025594 GJ)								

Note (A) Forecast average cost of propane excludes company use, vaporizer use, and unaccounted for gas.

TERASEN GAS INC. - REVELSTOKE SERVICE AREA
PROPANE FLOATING PRICES

Forward Prices: August 24, 2009

CRUDE OIL FUTURES		
Month	Crude Oil Future Prices (US \$ per Barrel)	Weighted Average Unit Cost (including transportation) (Cdn \$ per Litre)
Oct-09	\$74.37	\$0.3030
Nov-09	\$75.08	\$0.3032
Dec-09	\$75.75	\$0.3333
Jan-10	\$76.38	\$0.3538
Feb-10	\$76.96	\$0.3451
Mar-10	\$77.49	\$0.3237
Apr-10	\$77.97	\$0.3784
May-10	\$78.43	\$0.3729
Jun-10	\$78.88	\$0.3694
Jul-10	\$79.23	\$0.3870
Aug-10	\$79.49	\$0.3989
Sep-10	\$79.75	\$0.4168
Oct-10	\$80.02	\$0.4348
Nov-10	\$80.30	\$0.4249
Dec-10	\$80.60	\$0.4414
Jan-11	\$80.75	\$0.4470
Feb-11	\$80.90	\$0.4322
Mar-11	\$81.05	\$0.4154
Apr-11	\$81.19	\$0.4003
May-11	\$81.33	\$0.3952
Jun-11	\$81.47	\$0.3903
Jul-11	\$81.61	\$0.4074
Aug-11	\$81.75	\$0.4188
Sep-11	\$81.88	\$0.4362

PROPANE FUTURES		
Month	Propane Futures Prices (US \$ per Gallon)	Weighted Average Unit Cost (including transportation) (Cdn \$ per Litre)
Oct-09	\$0.96	\$0.3230
Nov-09	\$0.96	\$0.2978
Dec-09	\$0.97	\$0.3078
Jan-10	\$0.99	\$0.3232
Feb-10	\$0.99	\$0.3117
Mar-10	\$0.98	\$0.3070
Apr-10	\$0.96	\$0.3204
May-10	\$0.96	\$0.3144
Jun-10	\$0.96	\$0.3171
Jul-10	\$0.97	\$0.3205
Aug-10	\$0.98	\$0.3189
Sep-10	\$0.98	\$0.3329
Oct-10	\$0.98	\$0.3408
Nov-10	\$0.98	\$0.3859
Dec-10	\$0.98	\$0.3756
Jan-11	\$0.98	\$0.3899
Feb-11	\$0.98	\$0.3943
Mar-11	\$0.98	\$0.3928
Apr-11	\$0.98	\$0.3375
May-11	\$0.98	\$0.3315
Jun-11	\$0.98	\$0.3324
Jul-11	\$0.98	\$0.3341
Aug-11	\$0.98	\$0.3304
Sep-11	\$0.98	\$0.3426

50% CRUDE OIL & 50% PROPANE FUTURES	
Month	Weighted Average Unit Cost (including transportation) (Cdn \$ per Litre)
Oct-09	\$0.3130
Nov-09	\$0.3005
Dec-09	\$0.3205
Jan-10	\$0.3385
Feb-10	\$0.3284
Mar-10	\$0.3153
Apr-10	\$0.3494
May-10	\$0.3436
Jun-10	\$0.3432
Jul-10	\$0.3537
Aug-10	\$0.3589
Sep-10	\$0.3748
Oct-10	\$0.3878
Nov-10	\$0.4054
Dec-10	\$0.4085
Jan-11	\$0.4184
Feb-11	\$0.4133
Mar-11	\$0.4041
Apr-11	\$0.3689
May-11	\$0.3634
Jun-11	\$0.3613
Jul-11	\$0.3707
Aug-11	\$0.3746
Sep-11	\$0.3894

Notes: US-Cdn exchange rates source - Barclays Bank dated August 24, 2009.

C O N F I D E N T I A L

TERASEN GAS INC. - REVELSTOKE SERVICE AREA
PROPANE FORECAST USING 50% Crude Oil and 50% Propane Futures
FOR THE PERIOD OCTOBER 2010 TO SEPTEMBER 2011
Forward Prices: August 24, 2009

Tab 5
Page 2

FLOATING PRICE: Using 50% Crude Oil and 50% Propane Futures (Cdn\$ per Litre)								
Month	Fcst. 50% Crude and 50% Edmonton Propane Price (Cdn \$ per Litre)	Fixed Commodity Price - Storage	Fixed Commodity Price	Transportation Rail	Transportation Truck	Weighted Average Commodity Unit Cost	Weighted Average Unit Cost (including transportation)	Unit Cost per GJ (including transportation)
Oct-10	\$ 0.3318	\$ -	\$ -	\$ 0.0520	\$ 0.0620	\$ 0.3318	\$ 0.3878	\$ 15.15
Nov-10	\$ 0.3390	\$ 0.3555	\$ 0.3838	\$ 0.0520	\$ 0.0620	\$ 0.3518	\$ 0.4054	\$ 15.84
Dec-10	\$ 0.3495	\$ 0.3555	\$ 0.3838	\$ 0.0520	\$ 0.0620	\$ 0.3543	\$ 0.4085	\$ 15.96
Jan-11	\$ 0.3493	\$ 0.3555	\$ 0.3838	\$ 0.0620	\$ 0.0720	\$ 0.3542	\$ 0.4184	\$ 16.35
Feb-11	\$ 0.3349	\$ 0.3555	\$ 0.3838	\$ 0.0620	\$ 0.0720	\$ 0.3496	\$ 0.4133	\$ 16.15
Mar-11	\$ 0.3115	\$ 0.3555	\$ 0.3838	\$ 0.0620	\$ 0.0720	\$ 0.3405	\$ 0.4041	\$ 15.79
Apr-11	\$ 0.3029	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.3029	\$ 0.3689	\$ 14.41
May-11	\$ 0.2974	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.2974	\$ 0.3634	\$ 14.20
Jun-11	\$ 0.2953	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.2953	\$ 0.3613	\$ 14.12
Jul-11	\$ 0.3047	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.3047	\$ 0.3707	\$ 14.49
Aug-11	\$ 0.3086	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.3086	\$ 0.3746	\$ 14.64
Sep-11	\$ 0.3234	\$ -	\$ -	\$ 0.0620	\$ 0.0720	\$ 0.3234	\$ 0.3894	\$ 15.22

FORECAST SALES VOLUMES (Litres)							
Month	Floating Price Volume by Rail	Floating Price Volume by Truck	Fixed Price Volume by Rail	Fixed Price Volume by Truck	Storage Withdrawal Volume	Total Forecasted Volume	Total Forecasted (GJ)
Oct-10	396,187	264,124	-	-	-	660,311	16,900
Nov-10	213,877	142,585	90,000	-	460,000	906,462	23,200
Dec-10	406,110	270,740	90,000	-	460,000	1,226,850	31,400
Jan-11	396,733	264,489	90,000	-	460,000	1,211,221	31,000
Feb-11	237,320	158,214	90,000	-	460,000	945,534	24,200
Mar-11	223,255	148,836	90,000	-	460,000	922,091	23,600
Apr-11	311,792	207,861	-	-	-	519,653	13,300
May-11	241,463	160,975	-	-	-	402,438	10,300
Jun-11	147,691	98,461	-	-	-	246,151	6,300
Jul-11	150,035	100,023	-	-	-	250,059	6,400
Aug-11	131,281	87,521	-	-	-	218,801	5,600
Sep-11	180,511	120,341	-	-	-	300,852	7,700
Total Oct-10 to Sep-11	3,036,255	2,024,170	450,000	-	2,300,000	7,810,424	199,900

FORECAST COST OF SALES VOLUMES BEFORE ALLOWANCE FOR OWN USE AND UAF GAS									
Month	Floating Commodity by Rail	Floating Transportation by Rail	Floating Commodity by Truck	Floating Transportation by Truck	Fixed Price Commodity	Fixed Price Transportation	Fixed Storage Withdrawal Commodity	Fixed Storage Withdrawal Transportation	Total Cost
Oct-10	\$ 131,452	\$ 20,602	\$ 87,635	\$ 16,376	\$ -	\$ -	\$ -	\$ -	\$ 256,064
Nov-10	72,499	11,122	48,332	8,840	34,546	4,680	163,523	23,920	367,462
Dec-10	141,954	21,118	94,636	16,786	34,546	4,680	163,523	23,920	501,162
Jan-11	138,583	24,597	92,389	19,043	34,546	5,580	163,523	28,520	506,781
Feb-11	79,489	14,714	52,992	11,391	34,546	5,580	163,523	28,520	390,755
Mar-11	69,539	13,842	46,359	10,716	34,546	5,580	163,523	28,520	372,625
Apr-11	94,435	19,331	62,956	14,966	-	-	-	-	191,688
May-11	71,801	14,971	47,867	11,590	-	-	-	-	146,229
Jun-11	43,617	9,157	29,078	7,089	-	-	-	-	88,941
Jul-11	45,722	9,302	30,482	7,202	-	-	-	-	92,708
Aug-11	40,514	8,139	27,010	6,301	-	-	-	-	81,965
Sep-11	58,384	11,192	38,922	8,665	-	-	-	-	117,162
Total	\$ 987,988	\$ 178,086	\$ 658,658	\$ 138,966	\$ 172,729	\$ 26,100	\$ 817,616	\$ 133,400	\$ 3,113,543



LETTER NO. L-XX-09

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ERICA M. HAMILTON
COMMISSION SECRETARY
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DRAFT ORDER

VIA E-MAIL

Regulatory.Affairs@terasengas.com

September xx, 2009

Mr. Tom Loski
Chief Regulatory Officer
Terasen Gas Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8

Dear Mr. Loski:

Re: Terasen Gas Inc.
Revelstoke Propane Service Area
2009 Third Quarter Gas Cost Report

Further to your September 3, 2009 filing of the 2009 Third Quarter Gas Cost Report (the "Report") for the Revelstoke Propane Service Area. The Commission acknowledges receipt of the Report and accepts the recommendation that customer rates remain unchanged for the Revelstoke Propane Service Area, as of October 1, 2009.

Yours truly,

Erica M. Hamilton
Commission Secretary