



September 21, 2009

British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, B.C. V6Z 2N3

Scott A. Thomson
Vice President, Regulatory Affairs and
Chief Financial Officer

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Regulatory Affairs Correspondence
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Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. ("TGI", the "Company"), Terasen Gas (Vancouver Island) Inc. ("TGVI") and Terasen Gas (Whistler) Inc. ("TGW")
Collectively the "Terasen Utilities"
Return on Equity and Capital Structure Application (the "Application")**

Erratum to Response to the British Columbia Utilities Commission ("BCUC" or the "Commission") Information Request ("IR") No. 1.24.2

On May 15, 2009, the Terasen Utilities filed the Application as referenced above. On July 20, 2009, the Terasen Utilities filed their responses to the BCUC IR No. 1 (Exhibit B-3). An error was discovered in a table in the response to BCUC IR 1.24.2.

Attached please find an erratum to page 80 of Exhibit B-3 correcting the table and highlighting the affected cells. The correction involves the total row only for TGVI for the years 1999-2002, which, in the original, due to a cell programming error, did not equal the sum of the components (Residential, Commercial, Transportation).

The Terasen Utilities respectfully submit the attached erratum to the response to BCUC IR 1.24.2. To facilitate replacement insertion of this erratum into Binder Volume 2, page 79 (unchanged) and page 80 (corrected) are reproduced in the attached hardcopy ONLY.

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

Sincerely,

**TERASEN GAS INC.
TERASEN GAS (VANCOUVER ISLAND) INC. and
TERASEN GAS (WHISTLER) INC.**

Original signed by:

Scott A. Thomson
Vice President, Regulatory Affairs & CFO

Attachments

cc (email only): Registered Parties



Terasen Gas Inc. ("TGI"), Terasen Gas (Vancouver Island) Inc. ("TGVI") and Terasen Gas (Whistler) Inc. ("TGW), collectively the "Terasen Utilities" or the "Companies Return on Equity "ROE" and Capital Structure Application	Revision Date: September 21 , 2009
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(in TJs)

	1997	1998	1999	2000	2001	2002
Residential	3,016	3,383	3,669	3,854	3,748	3,872
Commercial	6,374	6,559	6,953	6,956	6,951	7,117
Transportation	16,511	14,685	16,384	16,404	16,289	22,399
Total	25,901	24,627	27,006	27,214	26,988	33,388

	2003	2004	2005	2006	2007	2008
Residential	4,034	4,020	4,259	4,602	4,575	4,696
Commercial	7,310	7,237	7,412	7,341	7,491	7,345
Transportation	21,169	21,536	22,146	16,334	23,302	22,342
Total	32,513	32,793	33,817	28,277	35,368	34,383

	2009	2010	2011	2012	2013	2014
Residential	4,859	4,892	5,015	5,143	5,274	5,408
Commercial	7,405	7,349	7,418	7,511	7,605	7,700
Transportation	22,946	22,309	22,017	22,336	22,350	22,365
Total	35,210	34,550	34,450	34,990	35,229	35,473

Notes:

1. Residential includes RGS customers
2. Commercial includes SC1, SC2, LC1, LC2, LC3, AGS, HLF, and ILF customers
3. Transportation includes ICP, JV, and also TG Squamish customers

As can be seen from the above table, annual throughput has grown significantly on TGVI's system over the period 1997 through 2008 (a 33% increase, or 2.6% annually). Looking at the individual customer segments, residential throughput has grown 4.1% per year, commercial throughput has grown by 1.3% per year, and transportation throughput has grown by 2.8% per year. This is consistent with TGVI being an immature utility. And given this, coupled with there being fewer opportunities for efficiency improvements, it is not surprising that the forecast of throughput for TGVI is for growth over the foreseeable future.

The following table illustrates the annual normalized throughput in TJs for residential and commercial customers of TGW over the period 1997 through 2008, a projection for 2009 and forecast for 2010 through 2014. Normalized volumes from 1994-1996 are not available at this time.